

JPRS-EER-89-005
18 JANUARY 1989



JPRS Report

East Europe

East Europe

JPRS-EER-89-005

CONTENTS

18 JANUARY 1989

POLITICAL

CZECHOSLOVAKIA

- Prague Daily Alleges CIA Responsibility for Jonestown Massacre [SIGNAL 21 Nov] 1
CIA Bacteriological Warfare Against Cuba Alleged [TRIBUNA 7 Dec] 4

GERMAN DEMOCRATIC REPUBLIC

- Church Weekly Reports on Recent Synods
[MECKLENBURGISCHE KIRCHENZEITUNG 27 Nov] 6

HUNGARY

- Greater Freedom of Press Discussed [Paris LE MONDE DIPLOMATIQUE 17 Nov] 8

POLAND

- New Foreign Trade Minister on Policy, Implementation, Goals
[PRZEGLAD TYGODNIOWY 11 Dec] 9
TRYBUNA LUDU's Editor in Chief on Daily's Purpose, Policy [POLITYKA 17 Dec] 14
Foundation Commemorates National Holidays, Victims of East
[PRZEGLAD KATOLICKI 30 Oct] 17
Union Pluralism Justified by Economic Indexes [LAD 30 Oct] 19

ROMANIA

- 4th Romanian-Israeli History Symposium Proceedings Summarized
[ANALE DE ISTORIE No 5, 1988] 22
Emigre Journal Reprints Anti-Ceausescu Satirical Poem
[BULETIN DE INFORMATIE PENTRU ROMANI IN EXIL 16 Nov] 28

YUGOSLAVIA

- Rally Organizer Solevic Interviewed by Public [MLADOST 12 Sep] 29

MILITARY

GERMAN DEMOCRATIC REPUBLIC

- New Naval Resupply Ship Described [MILITAERTECHNIK No 6] 38

ECONOMIC

INTRABLOC

- Grain Imports Necessary To Offset CEMA Shortage [Vienna KURIER 5 Dec] 40

BULGARIA

- Soviet-Bulgarian Research, Production Cooperation Detailed
[East Berlin AUSSENWIRTSCHAFT 16 Nov] 40

CZECHOSLOVAKIA

First CSSR-USSR Joint Enterprise in USSR To Be Formed	[RUDE PRAVO 23 Sep]	42
Societal vs. Enterprise Interests in Restructuring Viewed	[RUDE PRAVO 8 Oct]	44
Outlook for 8th 5-Year Plan Fulfillment Not Promising	[ZEMEDEL'SKE NOVINY 20 Oct]	45

GERMAN DEMOCRATIC REPUBLIC

Improved 1988 Economic Performance Compared to Previous Year		
[Vienna INDUSTRIE 16 Nov]		49
Railway Accident Claims 8 Lives	[SAECHSISCHE ZEITUNG 5 Dec]	51

POLAND

'Pol-Eko' Ecological Foundation on Finances, Enterprise Plans	[ZYCIE WARSZAWY 4 Oct]	51
Hard Currency Distribution Centers on Issue of Centrally Financed Imports		
[RZECZPOSPOLITA 27 Oct]		52
Food-Processing-Industry Restructuring Essential	[RZECZPOSPOLITA 3 Oct]	54
Delay in 'Stefanow' Coal-Mine Investment Stirs Controversy	[TRYBUNA LUDU 13 Oct]	56

ROMANIA

Production, Availability of Medicines Discussed	[ROMANIA LIBERA 11 Oct]	56
---	-------------------------	----

YUGOSLAVIA

Increased Economic Hardships, Despair Noted	[DANAS 8 Nov]	58
---	---------------	----

SOCIAL

HUNGARY

Bloc's Only Legal Group for Gays	[LE MONDE DIPLOMATIQUE 14 Nov]	60
----------------------------------	--------------------------------	----

POLAND

Economic Constraints Necessitate Redesign of Social Contract	[PERSPEKTYWY 2 Dec]	61
--	---------------------	----

CZECHOSLOVAKIA

Prague Daily Alleges CIA Responsibility for Jonestown Massacre

24000055a Prague SIGNAL in Czech
21 Nov 88 pp 12-13

[Interview with Boris Bannov, Moscow publicist, candidate of historical sciences, by Zdenek Cech: "I Am Saying That It Was a Massacre"; date and place not given]

[Text] On 13 March 1979, one Michael Prokes shot himself in the city of Modesto, California. In the motel on Kansas Avenue, he fired a bullet into his neck. Prokes was an employee of the CIA and, for 6 years, worked in the religious organization called the People's Temple. He knew much about its tragedy in Guyana, which the world wrote about as the suicide of 918 fanatics. Before he died, he gathered journalists in his motel and distributed his multipage proclamation to them. Everything was allegedly different and Jonestown in Guyana, the seat of the People's Temple, had nothing in common with fanatic beliefs.... Not a single line of the Prokes text found its way into the newspapers. Its author wounded himself mortally in the bathroom of his room and the journalists then found a message next to the dying man which said: "If my death does not become a reason for a new book regarding the end of Jonestown, then I have lived my life for nothing."

All over the world a lot of people believe that the life of the Jonestown settlement came to an end on 18 November 1978 with gulps of deadly potassium cyanide. Mark Lane, a lawyer and a well-known American author, cast doubt upon this view in his book "The Strongest Poison."

But you, Boris Bannov, Moscow publicist, candidate of historical sciences, you also know a lot about this....

[Bannov] I began to delve into this mystery 5 years ago. More precisely said, from the time I first spoke with Fyodor Timofeyev. He was the one-time consul at the Soviet Embassy in Guyana.

[SIGNAL] Timofeyev was there during the fateful year of 1978?

[Bannov] He was. And he had documents ... his hand and related his experiences. On the basis of his testimony, and following the study of additional facts, I can say that this was not any case of mystical self-sacrifice. It was purely a massacre, a large-scale crime. Murder.

[SIGNAL] And its reason?

[Bannov] I would rather we take things from the beginning.... The People's Temple originated in California and was established by a churchman—the Reverend

Jim Jones. Over time, it numbered almost 20,000 people, most of whom were from Los Angeles and San Francisco. Officially, this society was religious in nature; but in fact it pursued its own sociopolitical program. It published the monthly PEOPLE'S FORUM, whose circulation climbed to 600,000 copies. It contained articles on the problems of America and on the transgressions of the powerful, the People's Temple established a free polyclinic and sanatorium for treating drug addicts in San Francisco, it set up four shelters for old people who had no homes. San Francisco mayor Moscoon suggested to Jones that he should head the city commission for housing and that he should be active in the Committee on Human Rights; however, people such as Moscoon were in short supply in higher places. The People's Temple had a host of enemies, particularly when it protected the rights of Afro-Americans and Indians everywhere. Incidentally, Jones himself had eight adopted children of three different races. And he was, generally, a well-known personality. During the pre-election campaign in 1976, for example, the future vice president of the United States, Mondale, invited him on board his aircraft and, a year later, the then first lady of America, Mrs Rosalind Carter, wrote him a personal letter.

[SIGNAL] At first glance, then, everything was in order?

[Bannov] Except that pressure on the organization was growing beneath the surface. Someone murdered Jones' bodyguard, an explosion occurred in a building of the temple which was officially registered as a church and the structure was destroyed by fire, the reverend's people felt the shadow of the FBI behind them. In the end, they decided to depart for Guyana, whose government had outlined a program of cooperative socialism.

[SIGNAL] Did they establish a cooperative there?

[Bannov] Around 1,000 Americans settled there in a commune which, in the spirit of its intentions, devoted itself to agriculture and medicine. The name of their community—Jonestown—arose more or less spontaneously. The commune was assigned some 3,824 acres of jungle in the west of the country near the border with Venezuela and began to farm this land.

[SIGNAL] With success?

[Bannov] Yes. In a single year, they earned a net profit from agricultural operations of \$250,000. And as far as medicine is concerned, it is claimed that at Jonestown, among others, they saved the lives of approximately 80 Indians from the surrounding jungle. In the Guyanese metropolis of Georgetown, the People's Temple was considered to be a paragon of cooperative work and President Burnham used to hold it up to others as an example.

[SIGNAL] How did Consul Timofeyev come to be in touch with Jones' commune?

[Bannov] People from Jonestown came to the Soviet Embassy as early as the fall of 1977, including Mike Prokes. They said they were American citizens who had left the United States for political reasons and were now creating a socialist cooperative in Guyana. They asked whether they could obtain literature on the Soviet Union. This was the beginning of the contact which grew consistently stronger. Timofeyev actually visited Jonestown....

[SIGNAL] What did he say about it?

[Bannov] He recalled that the community gave off an aura of coziness. It had its own school which, among other subjects, taught Russian, Spanish, Portuguese, and Hindu; it had a school for small children and a little to the side a tiny zoo. Jones said that the cooperative had already been visited by more than 500 various guests—Guyanese, Americans from the embassy, and visitors from other embassies. He opened a leather-bound journal into which visitors wrote their remarks and which was said to contain frequent mentions of the word paradise.

[SIGNAL] In all this coziness, there had to be some kind of shadow.

[Bannov] And there was. The core of the People's Temple had moved from California to Guyana, but this did not reduce the number of its enemies. And, given their possibilities, it was not particularly complicated to intervene from the United States all the way into the South American jungle.

[SIGNAL] More specifically said....

[Bannov] A campaign was initiated against the People's Temple in the California press. It was written that Jonestown was a concentration camp where people lived behind barbed wire and suffer under conditions of forced labor. It was then that the cooperative was threatened by an assault of mercenaries, which were led by a certain Masor. These people were supposed to liberate the children from the "concentration camp." Although these people were rented guns, when they saw the actual facts, they refused to do their work and became followers of Jones.

[SIGNAL] Were there any weapons in Jonestown?

[Bannov] Only a few shotguns against snakes and two pistols. There were also some crossbows for hunting wild boar.

[SIGNAL] They had few weapons...and were they afraid of what might happen some day?

[Bannov] Afraid? The word "apprehension" would be more suitable. The People's Temple cooperative was bound to cause hatred in a number of places in the United States. At Jonestown, therefore, they decided on

an unusual step—they asked the Soviet Embassy whether the entire commune could not move to the USSR? Timofeyev responded by saying that he could not solve such a matter on his own, but he promised to send a report to the Ministry of Foreign Affairs in Moscow. He later said that he would provide Soviet visas for a delegation of the People's Temple which was supposed to discuss the matter at higher levels in the Soviet Union. But developments progressed rapidly and events began to culminate.

[SIGNAL] How?

[Bannov] For example, the words of Mark Lane, which were printed in the SUN REPORTER of San Francisco in October 1978. Lane was very much interested in the People's Temple, had been to Jonestown and claimed that they were about to file suit against certain organizations in the United States within 90 days. They said they don't want to put up with efforts to destroy Jim Jones with the entire community in Guyana. The suit would be filed against the CIA, the FBI, the Postal Service, and against the Federal Communications Commission. In Jonestown, they had their evidence.... The court case could place the entire American political system into a bad light and a whiff of scandal was in the air. The campaign in the press strengthened. The matter came before the Congress of the United States and, from Washington, Congressman Leo J. Ryan was preparing to visit Guyana.

[SIGNAL] What was being said about him? What kind of a reputation did he have?

[Bannov] A generally good one. He was an energetic politician who liked to verify everything personally. He was fearless. He flew south to see Jones accompanied by a group of journalists. They included Charles Krause from the WASHINGTON POST who then became the crown witness of the murder.

[SIGNAL] As best as I recall, Ryan did get to Jonestown.

[Bannov] He did arrive and he was greeted with a parade. He was supposed to take back with him any who wanted to return from the jungle to the United States, but only 16 such people were found in the entire commune. In the night from the 17th to the 18th of November, Ryan stood before an attentive Jonestown and claimed that for many of the local inhabitants the People's Temple was the most beautiful experience they could have in their lives. And the people sang "We Shall Overcome...." The congressman then departed for the airport at Port Kytoumu and there is where the drama began.

[SIGNAL] Exactly what occurred there?

[Bannov] Armed men appeared at the airfield and began to shoot. They murdered Ryan and the people from NBC who were filming the tragedy actually to the death. Only

Charles Krause remained alive, sheltered behind the wheel of the aircraft. He lay still, having been grazed by a bullet in the buttocks, and waited, certain that someone would come and finish him off with a bullet into his spine or into his head; but he survived. The murderers clearly believed him to be dead. At that very moment, only a fraction of life still remained in Jonestown.

[SIGNAL] How did Jonestown die?

[Bannov] Johnny Jones, the reverend's adopted son, returned to the community from Port Kytoumu and told of the firing at the airfield. Instantly, a siren sounded. The watch sounded the alarm and the men ran for the warehouse which contained the shotguns and the crossbows. But by that time, shots were being heard on the edge of the settlement. A group of murderers arrived at Jones' hut and killed the reverend as one of the first victims. When the shooting died down, some 400 people remained alive, mostly women and children and old people. They were murdered with poison. They were either injected or they had to drink it. Women had their jaws pried open with daggers. They held the children's noses and then they poured potassium cyanide into their open mouths.

[SIGNAL] Where do you have such information from?

[Bannov] You know, a few people did survive. The settlement was bordered by the jungle where friendly Indians reigned. And it wasn't far from Jonestown to Venezuela. My compatriots spoke with those who got away. But don't ask me to give you any names.

[SIGNAL] All right. And what all did Consul Timofeyev know of this at the time?

[Bannov] That very evening, he was in the club of the Soviet Embassy. At about 2000 hours, a colleague told him that a woman had come to see him from the People's Temple. These women—there were actually two—were known to Timofeyev from a previous occasion. They told him something horrible is happening at Jonestown, it is a matter of life and death for all people there. They said that the settlement had been surrounded by unknown armed men. And they said that something had also happened with Ryan when he was returning to Georgetown. We have a request for you. Please take temporary charge of this: They gave him a suitcase full of cash and checks and a mass of documents and containing hundreds of passports. That same evening, there were killings even in Georgetown; a member of the community called Timofeyev from the apartment in Georgetown which the People's Temple had rented and shouted into the telephone that Jonestown was dying and that someone is trying to get into her apartment and is breaking the lock on the door. Then someone hung up the telephone....

[SIGNAL] And Jonestown?

[Bannov] The local transmitter ceased speaking intelligibly and began to express itself in code. A strange operator sat at the radio already and, suddenly, the reports from the jungle were secret.... For the next 48 hours, the community was off limits—patrols manned the roads and would not permit anyone to enter. Meanwhile, in Georgetown, American reporters were chasing after bits of information.

[SIGNAL] They did write that hundreds of corpses remained at the settlement, victims of suicide....

[Bannov] Suicide? There was talk of drinking potassium cyanide. But can anybody imagine that all poisoned people would lie down facing the ground, as can be seen in photographs of Jonestown? Or that they would lie down in several rows, in a manner in which some of the victims ended up? Irregardless of this, it was written that the poison was drunk from one large vessel. But do you know how rapidly potassium cyanide acts? A person is almost immediately dead after ingesting it. And how many people could physically reach a single vessel in any case? And children? To what extent are they capable of committing mass suicide? It is also peculiar that no one from the American side attempted to officially examine the dead. From the Guyanese side, pathologist Mutoo finally arrived in Jonestown and claimed that the majority of the victims were felled by bullets or by poison injected into their backs.

[SIGNAL] Whose bullets were they actually?

[Bannov] On the fateful day, aircraft of the American Armed Forces were landing at the airfield in Georgetown. Giant transport aircraft. They carried helicopters which then flew off toward the west into the jungle. They had soldiers on board. Perhaps they were men from the Delta Force for special purposes, but I am unable to say so with certainty. No one asked the Guyanese Government about anything. And as far as newspaper reporters are concerned, they did not get to Jonestown until somewhat later. Only three were allowed to go there. They included Charles Krause, who knew the most about matters.

[SIGNAL] And he later wrote....

[Bannov] He wrote reports and even a book entitled "The Guyana Massacre." In part, he was objective. He depicted life in the community as he saw it during his visit with Ryan. Although then, as if he were trying to contradict himself, he claimed that while it is incredible, Jonestown had reportedly fallen victim to a horrible fate and all had committed suicide.

[SIGNAL] Do you believe that he really meant it?

[Bannov] No. His lines were crossed out and rewritten by one Peter Osnos.

[SIGNAL] Who was that?

[Bannov] The chief of the foreign desk of the WASHINGTON POST. He sent Krause to Guyana and, as his chief, had the right to work over the resulting text. Of course, there is one detail here.... Osnos was formerly stationed in Moscow as a correspondent for his newspaper. In the end, he was expelled from the Soviet Union; it turned out that he is not only a newspaper reporter, but also an agent of the CIA. Osnos adjusted Krause's text in accordance with the wishes of his superiors. I don't wish to say by this that these were superiors in the editorial offices of the Washington newspaper.

[SIGNAL] But the version of the mass suicide was then more or less accepted by the entire world?

[Bannov] Yes.... Books were written on the subject, films were made. In our country, it was asserted: look what kind of creatures are the products of capitalist society; there was talk of the fanaticism of Jones and of religious obscurantism.

[SIGNAL] Wait a minute—Timofeyev had to know something different....

[Bannov] He knew, but, somehow, not much attention was paid to his information by anyone. Someone clearly felt that his information was overly fantastic. In the United States, in the meantime, traces were being eradicated. As an organization, the People's Temple was disbanded, a murder took care of San Francisco mayor Moscone, who was a well-known promoter of Jones in the United States, the media manufactured a legend regarding the events in Guyana.

[SIGNAL] Of course, as you said, Timofeyev had a suitcase full of money and documents. The legacy of the people from the People's Temple.

[Bannov] He had it. But then he received orders from Moscow requiring him to hand it over to the Guyanese organs as a corpus delicti.

[SIGNAL] Yet, in the end, he did not keep his silence in Moscow?

[Bannov] No. And publicists began to show new interest in these affairs. IZVESTIYA even sent its own reporter to Guyana and the most varied documents, information, and recollections finally even gave birth to a book entitled "The Death of Jonestown—A CIA Crime." But....

[SIGNAL] Did any kind of problems come up?

[Bannov] It sounds almost unbelievable, but the legend of the suicides in Jonestown acted like a magic formula. In the Yuridicheskaya Literatura Publishing House, the publication of the book was delayed by a full year. But then glasnost was strengthened to the point where the

book could actually see the light of day. Foreign propaganda, which stood on opposite positions from ours and was nevertheless able to tie our hands—something which is absurd—has already lost its influence here.

[SIGNAL] The machinery of propaganda sometimes accomplishes miracles. But it is said that the truth comes to the surface in the final analysis, much like oil floats on water. I would like to believe this. And I thank you for this conversation.

CIA Bacteriological Warfare Against Cuba Alleged

24000055b Prague TRIBUNA in Czech 7 Dec 88 p 20

[Article by Radovan Skalník: "The War of the CIA Against Cuba—Part 4: The Introduction of an Epidemic"; first paragraph is TRIBUNA introduction]

[Text] The American Central Intelligence Agency organized a brutal bacteriological war against Cuba. The Cuban television series dealing with the war by the CIA against the island of freedom has seen the appearance of numerous witnesses from the ranks of former CIA agents who were, in fact, employees of the Cuban Security Service. These individuals have testified about the intelligence preparations for a bacteriological and chemical war on the part of the United States against the inhabitants of Cuba and against the Cuban national economy.

During the period 1980 through 1986, the CIA used its radio contacts to levy more than 200 requirements for information in the area of public health upon its agents. The agents of the CIA were to provide information on the status of Cuban public health, the number of health facilities, and the medicines produced in Cuba or imported from abroad. Through this information, the CIA was seeking weak links in the public health and veterinary system of Cuba, which is being systematically perfected with the assistance of the socialist countries.

African Swine Fever

Bacteriological warfare on the part of the United States against Cuba dates back to the beginnings of the 1970's. In 1971, African swine fever appeared on the island and caused the nation considerable material damage. Even people were infected with this sickness. As early as that time, there existed well-grounded suspicions that this exotic disease, which had never existed in Cuba, was introduced by various means to the island by agents of the CIA.

African swine fever was liquidated with international assistance. Some years later, in 1979, it occurred again, however. In this case, organs of the Cuban Security Service credibly proved that this disease was introduced here by agents of the CIA. This action of the American intelligence service was also the subject of discussion in the Cuban television series. Ignacio Rodriguez Mena, an

employee of the Cuban Airlines and a counterintelligence collaborator had a special mission during the period of his CIA employment. He was to obtain information on whether Cuban aircraft were transporting drugs against African swine fever from abroad. According to the quantity of the shipments, the CIA intended to verify the spread of this dangerous disease.

At the end of the 1970's, the chemical warfare conducted by the United States against Cuba intensified. In 1978, wheat rust and sugar cane smut appeared on the island. These introduced epidemics caused Cuban agriculture to suffer palpable losses. They primarily affected the principal crop of rural Cuba—sugar cane. A year later, the arsenal of the CIA was expanded by the addition of another dangerous weapon. Tobacco plantations recorded a sizable outbreak of tobacco mildew, which debased virtually two-thirds of the production of this crop. Only with the exertion of all available manpower and with great international assistance, particularly from the socialist nations, was it possible to liquidate both of the epidemics on Cuban plantations.

In all cases, the greatest problem lay in the identification of the foci of infection. Consequently, it is easy to understand why the American special services were so intensely interested in Cuban health and veterinary preventive care. Agents of the CIA, as has been confirmed by their testimony, were receiving orders to distribute the bacteria for these epidemics in remote and sparsely populated locations and on plantations in the provinces where, according to CIA information, the network of hygienic and veterinary stations was supposed to be sparse.

However, the combining of Cuban specialists and scientists from various countries enjoyed success. During an extremely short time, it was possible to liquidate the foci of infection. Cuban security organs took effective measures during this time to prevent the artificial spread of the epidemics by agents of the CIA. During this time, a number of agents from the ranks of Cuban renegades who had special tasks—to participate in the bacteriological warfare against Cuba—were arrested. Consequently, the incidence of another disease, the coffee blight of 1983, was determined in sufficient time and the focus of infection was soon localized. This epidemic did not result in major material damage to the nation.

Dengue Fever

The most significant component of the bacteriological warfare conducted by American special forces against the Cuban people was the spread of disease-causing bacteria of a tropical illness—dengue fever. This treacherous disease was first found in Cuba in 1977, once more in sparsely populated regions of Cuba. Before the disease was identified and found, several hundred people were made sick by it.

Three-quarters of the total number of 198 victims were children under the age of 15.

Dengue fever is characterized by a stubborn course of the disease and by high fevers which, in a very short time, destroy the organism if medication is not provided. Specialists agree that dengue fever is among the epidemic diseases for which bacteria are produced in secret laboratories of the American Department of Defense and the CIA. The work of specialists in these laboratories is also attested to by the further spread of this disease in Cuba in 1981. In this case, a more dangerous form of this epidemic was introduced into the island and is designated in specialist circles as Dengue Fever 02. This disease calls for the application of more effective antibodies than was the case regarding the epidemic of 1977.

People who, at one time, cooperated with the CIA as employees of the Cuban Security Service also testified on the efforts by the United States to introduce additional epidemics and diseases to the island. In 1988, for instance, the CIA attempted to spread bleeding conjunctivitis. Under Cuban climatic conditions, this disease has a specific and murderous course. Thanks to the alertness of the Cuban Security Service, the attempt was restricted to a few cases.

Regarding the importance which the CIA continues to attach to bacteriological warfare against the Cuban population and the Cuban national economy, the Cuban television series heard the testimony of Dutsy Maria Santestaban, a legal adviser to the Cuban Ministry of Industry. At CIA headquarters in Langley, she was carried under the cryptonym of "Regina"; in the archives of the Cuban State Security Service, she appears under the pseudonym "Any." Her job was to use secret letter drops to inform CIA agents who were formally employees of the American Interest Mission in Havana of all details of the incidence of dengue fever, of viral diseases attacking the Cuban population, as well as of drugs which Cuba was importing to suppress these epidemics. CIA employees demanded particularly detailed reports on the damage caused by wheat rust and sugar cane smut, as well as tobacco mold. These reports then were used in the United States to compile reports on the crisis in Cuban agriculture and on the alleged poor health care afforded the population of the island.

Closed Endgame

The world press wrote about the 11-part series on Cuban television as being one of the hardest blows struck against the American CIA. Through various channels, including sources from the Langley headquarters, it was heard that the chiefs of this intelligence component ordered a strict investigation of the scandal which had badly mixed up the cards in the effectiveness of the CIA in the entire Central American region. The facts which were made available to the world by Cuban television regarding the treacherous war the CIA was conducting against Cuba, in which not only the standards of international law, but human rights are also violated, were extremely convincing.

This was also true of the press conference involving foreign journalists, which was participated in by the Cuban "players" involved in the case of a closed end. At the press conference, which was reported by the Cuban newspaper GRANMA, there were several interesting responses to questions raised by the journalists which augmented the television program:

The American newspaper MIAMI HERALD: It is not customary for any country to unmask such a number of its own intelligence officers at one time as is now occurring in Cuba. Why did this occur?

Antonio Garcia Urquiola: The organs of our Security Service obtained information on the basis of which it was possible to judge that the enemy was able to track our activities. Consequently, we were called off. You obviously know that our government has repeatedly and publicly drawn attention to the fact that some American diplomats in Cuba are agents of the CIA and that their activities are in conflict with their diplomatic status. Now, Cuba has utilized the opportunity to show that its protests were fully justified.

The French press agency AFP: How were you rewarded for your work for the CIA?

Ignacio Rodriguez Mena, Cuban Airlines: They paid us very well. First, we received \$5,000 to enable us to flee to safety should they discover us in Cuba by accident. After that, they deposited a monthly salary in our account. In the beginning, I had \$250 and gradually I managed to pull that up to \$2,000 a month. Moreover, substantial sums in Cuban pesos were transmitted to us by people in the American Interest Mission.

Associated Press: Could you say something about specific requirements which the CIA levied upon you?

Orlando Argudin from the Cuban Ministry of Sugar Refining: For example, from me they wanted to know what means are used to cultivate sugar cane, to what diseases the most prevalent varieties are susceptible, and how it would be possible to cause an epidemic that would impact the greatest plantation area where these crops are raised.

Calixto Marero from the Cuban Ministry of Foreign Trade: During the time when we were preparing to purchase containers for storing ammonia and other chemicals, we were supposed to report to the CIA on the conditions of the agreement with our foreign partners on a timely basis and, particularly, provide the name of the producer of these containers. We then discovered deliberately concealed defects in the delivered products which could cause explosions with tragic consequences in the presence of ammonia and under operating conditions.

Antonio Garcia Urquiola: From me, they wanted information on military cargoes heading for Angola, their volume, the number of soldiers, they wanted to know whether our ships are escorted by Soviet submarines, etc.

Nicaraguan Television: How is it possible that you were successful in fooling the enemy for so many years? Is there such a great difference in the level of work performed by the CIA and by Cuban counterintelligence?

Calixto Marero: I do not wish to compare the level of work, but rather to mention one characteristic which was common to all CIA employees with whom I came into contact. They are convinced of their own infallibility and superiority, they are convinced of the omnipotence of money and high technology. All of us were tested once or more frequently on a so-called lie detector; the results were evaluated by computer which, according to them, is the guaranteed method for uncovering a false agent. They are unable to comprehend that there are people for whom convictions mean more than a bank account. This is the main difference between us and them and this makes us stronger than they are.

The Cuban serial program uncovered more than 100 employees of the American Central Intelligence Agency. The press carried their photographs. The majority of them no longer were working on the island; the remainder were protected by diplomatic status. Washington hastened to exchange them. However, it is difficult to believe that other people now work at the American Interest Mission on Havana's Boulevard Malekon than those whose true face was revealed by the testimony regarding the CIA war against Cuba.

We cannot end our account in a better manner than with the words of Antonio Garcia Urquiola: "Many people asked us why CIA officers approached their espionage missions with such a low degree of professionalism—they simply underestimate us. Because these are people who work strictly for money, for much money, and who judge everyone according to themselves. In no way can this pay off for them."

"All Americans from the special services who cooperated with me and with my friends had to leave the CIA after we were discovered because we caused a great scandal in this way. We showed that Cuba is prepared to resist every enemy plot."

GERMAN DEMOCRATIC REPUBLIC

Church Weekly Reports on Recent Synods
23000058 Schwerin MECKLENBURGISCHE
KIRCHENZEITUNG in German 27 Nov 88 p 2

[Text]

Halle: Addressing Society's Vital Questions in Terms of Our Religious Faith

In their report to the provincial synod, convening in Halle on 27-30 October, the leaders of the church province of Saxony acknowledged the principle of the separation of state and church. They stated, "It is clear that we do not only tolerate, but also support, this separation

of state and church, as laid down in the Constitution, because it can be used, as instructed, to look upon the church as the congregation of Jesus Christ."

However, this separation cannot mean that the activities of the church focus on an area of religious sentiments and needs that is separate from other vital issues, the report states. The message of the Gospel speaks to mankind on all vital needs. Over the past 10 years, representatives of the state have increasingly come to understand and respect this. The slogan of bourgeois emancipation, which considers religion a private matter, does not incorporate the essence of the Christian faith. This is also demonstrated today by the role Christian congregations and churches are playing, e.g., in South America and Africa.

According to the report, the church has no authority to make decisions on social matters. Still, in line with their religious responsibilities, the church leaders consider it their duty to approach the state and social representatives in matters that are of concern to society. The separation of state and church is not an issue that makes the dialogue between state leaders and churches irrelevant. Rather, the leadership of the church considers this separation as the very basis of, and point of departure for, an open dialogue, which is based on respect for the specific issue and which works for mutual understanding. The church leaders believe that the present situation makes it necessary to develop the capability and willingness to conduct a dialogue.

The report also talks about the Land youth convention's work on experiences and issues in the area of education, discussions held in the church province on the subject of nuclear energy, and the church's experiences and views with regard to problems resulting from border crossings. In its report, the church leaders also describe the steps taken with a view toward disarmament and the newly initiated dialogues in many crisis areas of the world.

The synod called it "a sign of hope" that the Christian churches in the GDR have started to work together on larger-than-life issues such as justice, peace, and the preservation of the environment. It emphasizes in a resolution that the interim results of the ecumenical congress in Magdeburg are a "call for making a turnaround," which "requires us as the church to make concrete changes if we want our work to be credible."

The report notes that the synod considers it another hopeful sign that people are now forming groups to deal with the problems of church and society on the basis of their own experiences and their determination to do what they are able to do.

It also refers to the tensions that are emerging in the process among the socially engaged groups, groups working for charismatic community renewal and church congregations. "If we want to conquer the future together," the synod states, "we must do so on the basis

of hope, which is Christ." In addition to other hopeful signs, the reports accepted by the synod list some disconcerting developments, the synod points out. While the "minorization process" is going forward, it "has not yet found the answers we had hoped for and which apply to our situation." This is equally true with regard to institutional structures, financial management, life within the congregation and the Annunciation.

Dresden: Proving Grounds of Christian Life

In the report he delivered before the Saxon synod's 21-25 October convention held in Dresden, Land Bishop Dr Johannes Hempel focused on three "proving grounds of today's Christian life." He talked about the human image, about generational changes, and about speaking.

The bishop reminded the audience of Martin Luther's statement that somebody who believes in Christ remains a sinner before God, but that such a sinner can nevertheless be made righteous through his belief in Christ. This means that man, in the face of God, is a creature filled with deep-reaching tensions. "Neither a society, nor a philosophy, scientific ideology, or dogma, and not even the Christian faith or the church, are able to resolve these tensions in man. Our need for harmony, understandably as it is, remains an illusion."

Dr Hempel termed it the responsibility of the Christian community to "lead back to the biblical truth that, although we are sinners, we are also made righteous through our faith and, in addition, God's image." On the other hand, wherever Christians, who believe that God created the earth, support changes and point to the never-ending need of the church to renew itself, it is true—in light of the Christian human image—that everything that is not only based on it, but also necessary, must in the final essence remain piecemeal "simply because mankind is not only made of light but also of shadow."

Bishop Hempel believes that quite a few of today's tensions and problems, including those relating to the church, have something to do with generational changes and related changes in values; that is, "signs that a new generation has grown up and wants to have a say." Thus the critical attitude of the next generation vis-a-vis any institution has become less unqualified and more comprehensive.

In dealing with generational changes, the church must start with a critical self-examination, the bishop urged.

Finally, on the topic of "speaking," Dr Hempel said that, in a philosophical sense, speech is not only a means of communicating, but "a force of humanity." For the church of the Reformation, as the "church of the Word," expressing the Articles of Faith remains crucial, although faith can be expressed through actions and symbols without the use of words.

The Land bishop emphasized, "It is important to realize that, even today and in our country, our ability to speak has entrusted us Christians with a real opportunity to be effective. The way we speak can help our church to renew itself and have a positive impact on our society. In the long run, our words can be a quiet, yet effective force for helping mankind."

At its Dresden convention, the Land synod adopted among other things a resolution changing the active voting right of church members in their church board elections from currently 18 to 16 years of age. This change in the church's election order is the first of its kind in the eight Lutheran churches of the GDR. No changes were made on the passive right to vote. Only those can be elected to the parish council who are entitled to vote on election day and are at least 18 years old.

Eisenach: Issues Related to Pastoral Vacancies Discussed

On Sunday, November 6th, the last day of the fall meeting of the Thuringia synod, Land Bishop Dr Werner Leich ordained 31 young theologians (men and women) in Eisenach's St George's Church to serve the church. Issues relating to the pastoral service also came up in the synodal consultations. The progress report submitted by the Land church council of the synod emphasized the growing difficulties of filling pastoral vacancies in Thuringia.

In Thuringia, the Lutheran Church holds, along with 28 Land church pastoral positions, a total of 803 pastoral positions in its congregations. According to the report, at least 718 must be filled, although the staffing of 750 positions would be preferable. In November 1988, some 712 applicants were available for this service, namely, 640 pastors (men and women), preaching curates (men and women); 36 curates (men and women); 10 assistants; 19 retired pastors with service responsibilities; 7 staff members working in parish services.

The report adds, "This means that some 718 parish positions must be staffed under any circumstances. These numbers must not make us too confident. For one thing, only 640 parish positions are filled in a legally binding sense. In the remaining 72 slots, curates and retirees are providing limited services. In addition, in most instances it is hardly ever possible to fill those parish positions on a priority basis that are most urgently needed."

The already tight situation will significantly deteriorate in the coming years because of retirements, the report continues. Starting in 1992, the number of retirees will undergo such an increase that it will become ever more difficult to ensure that all parish positions are filled to the extent that appears necessary today. One of the most urgent problems to be resolved is to attract suitable youths to the study of theology. Above all, the independence of the church congregations must be strengthened.

Church elders and congregation members must be more willing to shoulder part of the responsibility.

HUNGARY

Greater Freedom of Press Discussed

29000007 Paris LE MONDE DIPLOMATIQUE in French 17 Nov 88 p 30

[Article by Veronique Soule]

[Text] Budapest—By noontime, you cannot find any more copies. Each Thursday morning the stacks of the weekly publication HVG melt away in a few hours. Taking its inspiration from the British publication THE ECONOMIST, HVG has become the symbol of the rebirth of the Hungarian press. With well supported arguments in hand it criticizes the overall economic performance of the government, denounces "bad" taxes, and carries on a campaign against the Nagymaros Dam on the Danube River. At times highly placed officials are annoyed with it, but everyone talks about it on the telephone.

Ivan Lipovecz, the editor in chief of HVG (HETI VILAGGAZDASAG) [WORLD ECONOMIC WEEKLY], recalls: "We have always had a head start. And, as distinguished from many publications, which are changing their attitudes now, we have not changed. The key to our success is to have reliable and confirmed sources and trained reporters. In short, to be serious about it." The man has every reason to be proud. The highest leaders of the country—including Kadar at the peak of his influence—pay close attention to HVG.

It began publication in 1979 with a circulation of 14,000 copies, making a discreet entry into the press. At that time the media were "kept under control," and the centrist line of Kadar left hardly any room for opposition. At first HVG covered the international economy in particular. However, the publication very soon acquired self confidence and expanded its focus of interest, led by Matyas Vince, a man who was to become one of the key journalists in the country.

Matyas Vince is now employed by the World Bank in Washington. He built a weekly publication which was unique in Eastern Europe. It was closer to its Anglo-Saxon cousins than to its brothers in Eastern Europe. HVG has become an influential publication on economic questions. As the economy is the most sensitive aspect of reform in Hungary, it is also influential on political affairs. Its front page has become increasingly bold, often carrying cartoons or photographs retouched in a humorous way.

The publication, which comes under the Hungarian Chamber of Commerce, has a circulation of 170,000 copies (in a country with a population of 10.5 million).

Ivan Lipovecz says with regret: "We could sell more copies, as none of the papers are returned." In the framework of the new law on economic associations, in 1989 HVG will establish its own publishing company, which will make it possible for it to handle the substantial profits of the publication (50 percent of whose space is devoted to advertising). Between now and that point this flower of the Hungarian press, which is hard pressed for space in its present offices, will move into a superb building.

There are about 15 journalists who work for HVG. They stand out above the average in the profession, which is made up of people who are sensitive to the atmosphere and are always ready to kowtow to the authorities. The average age of HVG journalists is in the 30's. The majority hold degrees in economics or in law. More than half of them belong to the new Openness Club. A minority of them belong to the Hungarian Socialist Workers Party, among them Ivan Lipovecz. He made sure that belonging to the party was in no way obligatory when he became editor in chief.

The latest issue of HVG, with its lead article entitled "Long Live Private Enterprise," well sums up the outlook of the publication. In this issue there is a discussion of the closure of the shipbuilding yard in Gdansk, which appears under a picture of Lech Walesa. There is an article on religious schools in France and Spain, which are compared to Hungary. There is an interview with a Japanese businessman and Mihaly Bihari, a radical reformer who has been expelled from the party. Finally, the publication carries a list of new, "alternative" organizations. Each week it carries prices on the stock exchange.

Ivan Lipovecz says: "We talk about whatever we want." To varying degrees this statement is also valid for the whole Hungarian press. Since the departure of Kadar from office in May 1988 control of the press, which used to be handled through self censorship by the journalists, deletions in articles by the editors in chief, and pressures from high levels of the government, has been considerably lessened.

Official publications have also followed the current now affecting society. From now on every publication intends to express its views as a function of its interests. Gyula, a journalist, explains that "NEPZAVA (the publication of the trade unions) is like all of the daily newspapers. NEPSAVA reflects the malaise affecting the SZOT [trade union federation], which is concerned about social grumbling and the demobilization of its members and which is opposed to several reform measures (on taxes and the closing down of companies, etc).

At the other side of the spectrum two daily newspapers wave the banners of democratization: MAGYAR NEMZET, the publication of the People's Patriotic Front, and MAGYAR HIRLAP, the organ of the government.

On 11 November MAGYAR NEMZET was the only publication to give prominent play to an article on the possibility of adopting a multiparty system in Hungary. In the field of national sensitivity MAGYAR HIRLAP provided the following contrast with the past: at the height of the influx of Hungarian refugees from Transylvania it carried inflammatory articles denouncing the policy of assimilation carried on by Nicolae Ceausescu.

Reporters do not hide the fact that they owe this sudden freedom to the end of unanimity within the government. "If a government official wants to interfere with the publication of an article, you could reply to him that one of his colleagues in the administration agrees with the article in question." MTI, the official news agency, is now reporting the number of poor people in Hungary. On the occasion of the anniversary of the 1956 uprising for the first time the radio service carried the text of the statement made by the students at that time.

Between the samizdat [underground press], led by BESZELO (THE ASSEMBLY), principal publication of the "democratic opposition," and the official media some points of agreement have appeared. In 1983, for the first time, articles by opposition figures were referred to in MOZGO VILAG, a reformist monthly publication, and one of them was interviewed in a university magazine. Since the middle of October 1988 HITEL (CREDIT), an independent publication, has appeared on the newsstands. It is closely associated with the Democratic Forum, one of the principal opposition movements.

However, at least one subject remains taboo: friendship with the "Big Brother." And in the midst of all of this discordant noise NEPSZABDSAG, the party publication, still plays the role of killjoy. It is the only newspaper not to have seen its circulation increase sharply. Meanwhile, television, the last bastion of the Kadar era, is beginning to go through a process of restructuring. The end of "Mondays without television" has been announced for January 1989. This was a source of pride for the former government, which was congratulated by Bonn for not brutalizing its citizens.

POLAND

New Foreign Trade Minister on Policy, Implementation, Goals
26000235 Warsaw PRZEGLAD TYGODNIOWY in
Polish No 50, 11 Dec 88 pp 1, 4

[Interview with Dominik Jastrzebski, Minister of Foreign Economic Cooperation, by Piotr Aleksandrowicz, Henryk Jablonski, and Halina Zielinska: "Border-Free Trade"; date and place of interview not given]

[Text]

[PRZEGLAD TYGODNIOWY] Are you familiar with our "Border-Free Trade" campaign?

[Jastrzebski] I am, and I value and implement it.

[PRZEGLAD TYGODNIOWY] The previous Administration also identified its goals with it, but not in practice.

[Jastrzebski] It is not nice to try and make me comment about my predecessors. As of 1 January anyone who thinks he can do it can engage in foreign trade. The trade can be in anything, and private companies too can engage in it.

[PRZEGLAD TYGODNIOWY] In anything except in goods of strategic importance.

[Jastrzebski] That is obvious, but permits can be granted upon application.

[PRZEGLAD TYGODNIOWY] What then is of strategic importance?

[Jastrzebski] For example, the defense industry, raw materials, medicines.

[PRZEGLAD TYGODNIOWY] Is farm output strategic, too?

[Jastrzebski] Apples or fruit compotes, certainly not. But meat—so long as it is a "political" commodity, yes. Other factors also have to be taken into consideration. Would it make sense for several score small Polish producers to bargain with two guys who control the meat market? Would they negotiate a sensible price?

[PRZEGLAD TYGODNIOWY] There still will be various import and export permits as administrative instruments.

[Jastrzebski] As a minister of state I am not a storekeeper. I prefer general solutions and the granting of general permits. I prefer to respond individually only in cases of evident stupidity and economic damage. My religion says that trade finds administrative restrictions to be intolerable.

[PRZEGLAD TYGODNIOWY] But the permits will serve as an instrument for fast response.

[Jastrzebski] They have to be.

[PRZEGLAD TYGODNIOWY] How do you view the issue of export profitability?

[Jastrzebski] No comment. The competition is waiting for just such information.

[PRZEGLAD TYGODNIOWY] Let me put it differently. What will be the principal purpose of foreign trade—to increase its volume at any price or to improve maximally the balance of payments?

[Jastrzebski] The concept of exporting at any price is alien to me. For that is like a going-out-of-business sale, and Poland is not an insolvent. However, we exist in a difficult situation and, if we desire to resolve it, we must consider foreign trade as a growth-promoting factor. That is why we are laying the foundations of a new economic philosophy, creating the conditions for doing business from morning till evening. It is not true that Poles are no businessmen. They are excellent businessmen. They have managed just fine despite the absence of [official] permits, so they shall manage even better now that they can make deals legally.

The coming laws should result in the rise of thousands of enterprises, shareholding companies, etc., both Polish and joint ventures. John Q. Public will thus be motivated to retrieve his dollars from the bank or from under the mattress, because it won't pay for him to keep them uninvested. He may want to establish his own business or engage in a joint venture. These laws should lead to what I would term the second change in production.

[PRZEGLAD TYGODNIOWY] May it not be as insubstantial as the first.

[Jastrzebski] I see unlimited possibilities, great opportunities for doing business, an entire spectrum of possibilities which individuals should begin to exploit.

If only it may not turn out that, after the corset of restrictions is removed, the emperor really wears no clothes, that after years of artificial stiffening the spine is as soft as dough, and that those heads of companies who bluster about what they can accomplish after lifting the administrative barriers and restrictions are big humbugs.

And if only the Administration would not get scared by such a "levee en masse" [toward private economy], I wish, for its sake and mine.

[PRZEGLAD TYGODNIOWY] So you do emphasize volume of trade.

[Jastrzebski] No, I emphasize the old principle of modern trade: let us export the goods we make in an up-to-date way, cheaply, and sell them at a decent price. And let us import goods which are made better and more cheaply abroad. Then everything will stand on its own feet, as Prime Minister Rakowski says.

[PRZEGLAD TYGODNIOWY] What would you do if export restrictions were reimposed, as had been done half a year ago?

[Jastrzebski] I need not worry about it, because I happen to know that this will not be done.

[PRZEGLAD TYGODNIOWY] Aren't you afraid of being accused of denuding the domestic market for the sake of exports?

[Jastrzebski] I could give the routine answer that there can be no imports without exports, and without imports there can be no production of consumer goods. Thus for example the light industry spends about as much foreign exchange on imports as it earns from exports. But for us lobbing the ball back is not the point; the point is to produce more goods that would reach both foreign and domestic customers.

[PRZEGLAD TYGODNIOWY] But public opinion says different, and there is no smoke without fire: for many years we have been exporting goods at low prices and below our production cost.

[Jastrzebski] I can understand the persistence of this common belief. For many years the ruling doctrine was that we should export and import in accordance with quantitative balance sheets. Enterprises operated supply and marketing departments rather than sales departments. In such conditions prices are a secondary factor. We are abandoning this orientation and now we are speaking of deal-making. The traditional division into producers and traders is disappearing. For example, the manager of the Brodno State Farm entered into a deal with Bulgarians for providing them with onions and potatoes in return for paprika and tomatoes. I believe that central [trade middleman] agencies should open their own stores and department stores and import and sell goods on their own; this would meet with approbation and understanding.

That is, tangible consequences proving that thanks to foreign trade the distributed national income can be greater than the generated national income are needed.

[PRZEGLAD TYGODNIOWY] The export subsidies for this year amount to half a billion zlotys. What about next year?

[Jastrzebski] This is happening because about 22 percent of Polish exports has to be financially subsidized by the state. Can such exports be relinquished? This concerns revenues of the order of US \$1.6 billion, but we don't intend to preserve this situation. Calculations in terms of the zloty's exchange rate are no incentive to improving profitability. For this reason, we are establishing the Export Promotion Fund to help above all those who help themselves by taking various steps to improve profitability.

We shall sign 2- or 3-year agreements with the unprofitable producers if, of course, they declare willingness to improve their performance. During that period we shall apply depressive subsidy rates. We are concluding gentlemen's agreements with producers pledging themselves to improve their profitability. Thus we do employ the guillotine but of the "Please consider what to do in order to stand on your feet" kind rather than of the administrative "Kindly stop [operating in the red] at once" fiat kind.

[PRZEGLAD TYGODNIOWY] There is a huge food surplus in Europe and the United States, yet you champion expanding farm and food exports.

[Jastrzebski] I do, because according to the "World Atlas" issued by the World Bank we can in theory derive profits of the order of US \$8-10 billion from our agriculture [if it is brought up to] the average European level.

[PRZEGLAD TYGODNIOWY] All food exporters are meeting with more and more problems. Yet we Poles intend to pursue precisely the exports of food, the cheapest export commodity.

[Jastrzebski] I mentioned US \$8-10 billion, whereas [our current food output] is of the order of US \$1.2 to 1.4 billion. Let us then meet halfway at, say, the level of US \$5 billion.

Despite the food surpluses elsewhere Polish food has a chance owing to its purity. Consider a country like France for example, where on farms as small as 300 hectares in area food is grown with the aid of farm machinery and noxious chemicals. I view the slogan "Healthy Food" as a chance for doing business. This can become our "specialite de la maison."

Provided that we accord primacy to agriculture, and consistently at that.

[PRZEGLAD TYGODNIOWY] How do you perceive the place of CEMA in the context of Polish international ties. Is a reform believable or shall CEMA continue to be an enclave for fictitious clearings of accounts [in non-convertible currencies]?

[Jastrzebski] The present nature of CEMA does not satisfy the ambitions of any of its partners. Thus rapid changes are needed so that all the participants in the common market could benefit from it.

Somebody once said that CEMA and the EEC [now EC] were formed at the same time but have reached different stages of integration. This is not a bad idea and changing the common market into one with genuine features of a common market should be rapidly commenced.

[PRZEGLAD TYGODNIOWY] One more question from the "Border-Free Trade" series: Will we be doing business with Taiwan, South Korea, Israel—in short, with anyone with whom it pays to trade?

[Jastrzebski] There exists the valid principle that the economy is a function of politics. But at a certain stage the converse can also be true and politics is a function of the economy.

I am one of those businessmen who dream of trading with everyone.

[PRZEGLAD TYGODNIOWY] What stage has been reached by the issue of currency convertibility?

[Jastrzebski] That is a great question to ask of Minister [of Finance] Wroblewski. To be sure, though, I as the minister of foreign economic cooperation cannot be indifferent to it. The more considering that unless parallel solutions in the domain of finance and taxation are introduced, all the other measures will be ineffective. The proposals being made by my ministry are oriented toward setting up a uniform foreign-exchange market that would in its first stage consist of three steps.

The first step would be a free flow of foreign exchange from ROD [retained foreign exchange earnings] among holders of foreign-exchange bank accounts. This should eliminate, or at least trim, the nightmarish thicket of foreign exchange regulations. A new guideline will be that foreign-exchange revenues from exports are the property of the exporter, who will be required to sell part of it to the banks.

[PRZEGLAD TYGODNIOWY] Required?

[Jastrzebski] Relatively speaking, let us say. Enterprises then will be able to retain from 10 to 50 percent of their foreign-exchange income depending on the degree of processing of the goods they export.

[PRZEGLAD TYGODNIOWY] Does the principle of equal treatment of [state and private] sectors apply in this case too?

[Jastrzebski] Yes, anyone who produces for export is entitled to ROD allowances. We also are adopting the assumption that in the future there will be a single fixed [ROD] rate verging at 50 percent.

[PRZEGLAD TYGODNIOWY] What about the second step?

[Jastrzebski] Last year and earlier there operated the so-called central system for foreign exchange allocations, a kind of giveaway by the state of hard currencies at their official rates of exchange with the object of meeting import needs, orders, etc. We shall earmark part of these funds—amounting to, I believe, about US \$2 billion, for that second step. A particular sum will be allotted for a particular group of supplies and producers needing these supplies will be found.

[PRZEGLAD TYGODNIOWY] This is not a new solution. It used to be termed "targeted bargaining," and it did not pass its test.

[Jastrzebski] Because a particular amount of funds was earmarked for every particular commodity, so that all parties used to agree on, say, payments of five zlotys above the exchange rate. But when funds for wool,

cotton, metal products, and hides are all pooled, it is difficult to reach an agreement. Unless a producer is quick on the uptake, he is left behind without supplies for his production needs.

The third step would be the opening of currency exchange offices for the population. We would thus settle several issues at once, but to me it is the psychological effect that is most important. I mean relieving Poles of the attendant stress, providing them with access to hard currencies, that is, providing a legal way of buying and selling these currencies.

Nowadays practically every doorway acts as a [black market] currency exchange office, so it is simply a question of legalizing the situation.

[PRZEGLAD TYGODNIOWY] The PKO [bank] already tried coupons [that is, coupons used in lieu of scarce small change—cents, centimes, pfennigs—in hard currencies, good for purchases in so-called dollar stores] and it turned out that Krzak, its chairman, is not big-time enough to prevail over those doorway black-marketeers.

[Jastrzebski] That is why we are drafting a law providing for private, cooperative, and state currency exchange stores.

[PRZEGLAD TYGODNIOWY] Unless there are some foreign-exchange reserves on hand, that market cannot be reined in.

[Jastrzebski] But the rates of exchange posted will vary daily, so that no one would still want to deal with blackmarketeers.

[PRZEGLAD TYGODNIOWY] We wish you success.

[Jastrzebski] Let us all wish each other success.

[PRZEGLAD TYGODNIOWY] In its first public announcements the new Administration stated that a bourse will be opened. But the subsequent decisions were in the diametrically opposite direction.

[Jastrzebski] I will not be disclosing any culinary secret if I say that the concept of establishing a bourse still exists. But we will have to wait 2 or 3 years.

For the moment I am opposed to a bourse, because at present it would only heat up the inflation. It is very easy to make goods for sale in a domestic market that is beset by shortages. It is easy to get zlotys—and exchange them into dollars if there were a bourse. We all would be paying for it in the form of steep hikes in the exchange rate of the dollar into zlotys.

During the transition period I believe that the aforementioned three-step solution is better.

[PRZEGLAD TYGODNIOWY] "Transition period." That has been a phrase familiar to us for many years.

[Jastrzebski] I have the right to use it. Renowned experts say that the hard-currency market has to be formed concurrently with the other markets, and these will not arise suddenly.

[PRZEGLAD TYGODNIOWY] The question of credit and international financial organizations is also within the purview of the minister of finance, but we would like to know your opinion about the IMF, World Bank credit, etc. Is the government being too passive in that respect?

[Jastrzebski] We want to be considered creditworthy by our creditors, but we do not want to sacrifice our economy in order to repay our debts. The economy must grow. And in the meantime there exist certain agreements whose implementation requires considerable hard-currency expenditures. And given the present attitude of the West, its abstention from granting us any credit whatsoever, we have to service the economy with cash, out of current accounts.

In such a situation both sides have something to do: we should be more dynamic in reforming the economy, while our partners should be more flexible. They must try to understand our arguments, so that we could jointly seek a way out of the impasse.

[PRZEGLAD TYGODNIOWY] Do you anticipate that part of Poland's foreign indebtedness will be forgiven in return for capital investment in Poland?

[Jastrzebski] That is one of the proposals that have to be considered.

[PRZEGLAD TYGODNIOWY] The West nowadays is knocking at the doors of the Soviet market. In the last few months it has made loan commitments totaling US \$10 billion. Why do you think it is not as eager about the Polish market?

[Jastrzebski] I can only say that we view the package of laws being drafted with the object of opening up our economy, Europeanizing it, as affording an opportunity for mobilizing a practically unlimited source of mercantile credit.

In this place, just once, let me cite an example from my previous workplace. The Paged Company [a private company which Jastrzebski used to manage prior to his appointment to the ministry] was able within 2 years to obtain loans totaling US \$150 million. If only 500 enterprises were to accomplish one-half as much as Paged.

Consider also the proportions in economic potential between Poland and the Soviet Union. To us an equivalent proportion [of Western loans] would be US \$1.5 billion, quite realistically speaking.

Hence, we wish our eastern neighbor a lot of such capital influx, and we ourselves should not be pessimistic.

[PRZEGLAD TYGODNIOWY] The draft decree on joint ventures is meeting domestic and foreign wishes as regards its organizational and financial regulations. What influx of capital do you expect in the next 2 or 3 years owing to that decree?

[Jastrzebski] That will hinge on many factors—on domestic stabilization, on the activism displayed by Poles in cooperation with foreigners.

I don't expect a mob of businessmen to storm our doors once that decree is issued. But I expect a lot in 2 or 3 years.

[PRZEGLAD TYGODNIOWY] Under these new commercial conditions what will the foreign trade enterprises be like? Will the small or the big ones be better off?

[Jastrzebski] They will be effective and efficient, and as for their size, that depends on their specialization, on the goods they trade. Practice shows that in the present-day world big organizations are ceasing to be effective. But on the other hand, at a certain stage of development, it was precisely these big corporations, e.g., the Japanese and Korean ones, that built up the commercial might of their countries.

When a dozen or so years ago we [the Paged company] began to trade in lumber and furniture with Great Britain, the market had been dominated by 300 enterprises. Today 30 have survived, with five companies sitting down and setting the terms. Thus there is no sure-fire prescription, and let us not disperse our resources at any price and just anywhere; it all depends on the circumstances.

[PRZEGLAD TYGODNIOWY] You have the reputation of being ruthless and tough in your personnel policies.

[Jastrzebski] Let me disenchant you; I am no ogre. I am simply revamping my ministry's personnel—at present at the top level.

[PRZEGLAD TYGODNIOWY] To put it plainly, you are dismissing vice ministers.

[Jastrzebski] There used to be six, and now there will be three, two from the "old portfolio" and one new vice minister.

I disbanded two departments and replaced one-half of the department directors as well as 14 of 19 deputy directors. And at present I am slashing the number of staff positions to 300 from 450.

These changes are not for fun. A review of the vitae of this ministry's employees as well as my own experience tell me that many wise and intelligent individuals let themselves be trapped. They chose the ministry-abroad-ministry path. After a 5-year stay abroad they return to their offices; that is, for many years they have been isolated from actual economic activity and they often do not understand the nature of the changes taking place.

If a ministry is to be a headquarters, a strategic office, it should employ experts, that is, persons with distinctive skills and qualifications. And experts have to be paid. Funds for this purpose can be derived only from "reductions in force."

We want to part civilly with individuals whom we will thank. We are preparing for them job offers from commercial enterprises.

[PRZEGLAD TYGODNIOWY] Will you follow a similar policy in the [ministry's] offices abroad?

[Jastrzebski] These offices will receive new tasks. No more statistics, comparisons, details. Recently someone sent me a report from Great Britain in which he was gratified to state that the price of a German car is five times as high as that of a Polish car, like, say, a Mercedes versus a Fiat 126p.

The new tasks are to consist of promoting our program, attracting the interest of new business and economic circles, of influential people. In short, creating a lobby for the promotion of Polish foreign trade.

In this connection, there will be no room in those offices for individuals who are looking for a place to spend their old age abroad or who want to be assigned abroad as a reward for incompetent performance in this country.

Activist and aggressively trade-minded persons will be assigned abroad. This does not mean that young people alone will be chosen. The criterion will be not age but suitability, experience, contacts.

[PRZEGLAD TYGODNIOWY] Do you hold in your hands the entire personnel policy?

[Jastrzebski] I have relinquished to the directors of joint-stock companies and cooperatives all decisionmaking powers as regards staffing foreign branches and also central agencies and enterprises, because they know best the local conditions. For obvious reasons I reserved to myself the power of veto over the appointments of heads of these outfits.

I share the power to appoint heads of the offices of commercial attaches. I have a free hand as regards appointing department directors and deputy directors. Even so, I often consult others, because personnel affairs are of a sensitive nature and it is easy to make mistaken decisions.

[PRZEGLAD TYGODNIOWY] Who has decided to slash the ministry's personnel by one-third and on what basis? Your employees asked you this question.

[Jastrzebski] I had answered as follows: I made that decision myself because, first, I have reduced the number of regulations overseen by this ministry. Second, I am going to create a material base. Third, I am computerizing the ministry's work.

[PRZEGLAD TYGODNIOWY] You declared that you are going to make frequent field trips.

[Jastrzebski] I am not going to make these trips in order to ask, "What is new?" This business with asking, "Citizens, how are you doing?" is old hat now. We know how they are doing. What I want to find out is, where do barriers still exist.

TRYBUNA LUDU's Editor in Chief on Daily's Purpose, Policy
26000238 Warsaw POLITYKA in Polish
No 51, 17 Dec 88 p 7

[Interview with Jerzy Majka, editor in chief, TRYBUNA LUDU, by Marek Henzler: "What the Public Talks and Thinks About"; date and place not given]

[Excerpts]

[POLITYKA] Although the pretext for this interview is the 40th anniversary of TRYBUNA LUDU, on which I congratulate you by the way, I would not want the readers of POLITYKA to view this interview as a ceremonial exercise. As to how they will view it, that depends on your answers. For example, what is the circulation of TRYBUNA LUDU nowadays, and what did it use to be in the past?

[Majka] On work days the circulation is about half a million copies, while the weekend edition reaches nearly a million. In the past the circulation used to be greater, but nowadays the high prices of newspapers condition a different kind of demand. Few readers buy more than one daily newspaper at present. Moreover, in the past subscription was artificially increased. I am opposed to recruiting subscribers by duress, whether among party members or at various institutions. Nowadays 80 percent of the copies printed are sold through newsstands.

[POLITYKA] TRYBUNA LUDU has never operated in the black. How do you reconcile the interests of a publisher who wants to make profits with the interests of a political decisionmaker to whom it is important that a newspaper containing and propagating his views rapidly reach every reader?

[Majka] We both are well aware of the situation of the world press, especially of that part of the press which, in addition to its other tasks, has the task of presenting the official views of its publisher, who in our case is the

PZPR Central Committee. I am not aware of any such newspapers that operate in the black. Are you? Without delving into the finances, and, as you say, deficit aspects of TRYBUNA LUDU, let me just say that so long as this daily is sold at a newsstand price that is not as profitable as that of ordinary dailies, it will retain its readership, which is the largest in Poland, and we know for whom we are publishing it. [passage omitted]

[POLITYKA] As editor in chief, to whom do you address TRYBUNA LUDU? To the party leadership? To the roughly 15,000 members of the party apparatus? To the 2 million party members? Or to the entire society?

[Majka] I prioritize my addressees differently. That is, first, I consider TRYBUNA to be a normal newspaper and address it to the entire society. When I first took up my post, the first party secretary told me that we should write about everything that the public talks and thinks about, and try to write it in the same colloquial style.

Second, we address this newspaper to the party—to the entire party, but also to its aktiv. We criticize sharply various distortions in the life of the party and of the apparatus of power. Consider for example the frank reportages by Marek Szymanski and Andrzej Milaszewicz. No one, including the opposition, criticizes abuses within the party as sharply as TRYBUNA. This has never before happened in the principal party newspaper. We are doing this basically for the good of the party itself.

And last, third, we must bear in mind that the organ of the leading party of the ruling coalition is being read by domestic and foreign politicians, both those friendly to us and those representing a diametrically opposite position. Hence the need for articles presenting the position of the party or the state on issues crucial to Poland.

[POLITYKA] Perhaps it is not nice of me to mention this on the occasion of your daily's anniversary, but I do not always perceive this to be the case. Records of speeches, minutes of meetings and plenums, still occupy most space in your newspaper. The party you show is one sitting behind the presidium table. You are a tribune "to the people" and not "of the people." In these politically interesting times you publish too few articles reflecting the intellectual ferment within the party. Often party members are quoted as saying much more interesting things in other newspapers than in the national newspaper of the party itself.

[Majka] I don't agree with this, yet in fact there is still too much of so-called protocol reporting in this newspaper. Many speeches need not be reproduced and can instead be summed up in articles discussing the problems they raise. Likewise, the minutes of many meetings could be dispensed with. Our editorial team also is of this opinion. Besides, this so-called protocol reporting had dominated our newspaper much more 2 or 3 years ago than it

does now. We ourselves are aware that in its every daily edition the "new" newspaper still coexists with the "old." But still that new newspaper is becoming dominant.

Perhaps then you are speaking of the quality of our reportage, but I would not agree with you on this. While I don't want to go into details, consider our weekly column, "Ideology, Politics, Social Relations," which presents greatly varied views. As early as in April, in the article by M. Krajewski, we stressed the need to restructure the economy. We also opened our newspaper to comments by supporters and opponents, while declaring ourselves explicitly to be on the side of the former. But at the time, as practice showed, that was no ordinary proceeding. Last fall, during the drafting of the assumptions of the plan for consolidating the national economy, we opened our newspaper to comments by an entire pleiade of renowned economists representing diverse schools of thought and views.

[POLITYKA] But you are talking chiefly about economic matters, whereas I am concerned about greater pluralism in presenting political views. Now and then appeals for ideological discussion are being made, but somehow it is absent in TRYBUNA LUDU.

[Majka] To be sure, let me say, without being original, that to me economics is the most condensed expression of politics, and economic problems are decisive to the political situation in Poland, but even so I cannot agree with your criticism. Suffice it to mention the running discussion in our newspaper of the status of the Marxist social sciences, the needs for party reforms, or problems of political pluralism or new forms of ownership. The pluralism of views within the party and disputes on ideological issues are readily perceived. We are open to all the views existing within the party.

Incidentally, you are grossly exaggerating this tribune "to the people" business. Just look inside this newspaper and you can see that numerous outside authors and readers avail themselves of our tribune.

[POLITYKA] You take part in Politburo sessions and subsequently publish commentaries on them in TRYBUNA LUDU. Members of the party leadership have already mentioned more than once that differences in opinion also arise during Politburo sessions and they have to convince each other about the validity of certain decisions. But one would guess nothing about these differences in opinion by reading your commentaries. Does not a party member have the right to read in his party newspaper what position in a particular issue is taken by Comrade X or Comrade Y?

[Majka] Of course, party members have the right to know about the views of members of their leadership. But I don't think that this would be well served by presenting positions taken in discussions at Politburo sessions. Arriving at proper solutions is best promoted

by free and sincere discussion, and such discussion rarely occurs in public view. Therefore, in my commentaries I attempt to outline the dilemmas that arise and the ways of resolving them. Let the Politburo members air their views in their own public comments, as was recently done by Professor M. Orzechowski on the pages of our newspaper or by Professor W. Baka on television. Central Committee secretaries also often make their views known on the pages of our newspaper. Sometimes this starts a discussion, as in the case of Prof. M. Orzechowski.

[POLITYKA] TRYBUNA LUDU still continues to publish polemics reminiscent of the years when the weakness of one's arguments could be offset with a suitable vocabulary or with facts extracted from the biographies of ideological adversaries. I do not mean in this place to advocate some or other kind of truce and disarmament, but nowadays a different kind of polemics is needed. In the last couple of days TRYBUNA LUDU has even noticed Lech Walesa's desire to reach an agreement, whereas only a dozen or so weeks ago it had published negative biographies of members of the opposition.

[Majka] We noted the conciliatory tone of L. Walesa's comments already when he had granted interviews to REPORTER and KONFRONTACJE. We noted it also in the last 2 weeks after he had resumed that tone. On the other hand, last September we recalled the stances and comments of several individuals, I emphasize, several specific individuals who had then (and not only years previously) adopted a confrontational tone or actively sought confrontation. Human memory is deceiving. It is thus worthwhile to offer reminders of certain facts so that they may not cease to be topical. Still, several adjectives we had used could be dispensed with. I and my editors also often critically discuss the language and arguments employed in such polemics.

We are often being asked whether our newspaper favors national reconciliation or struggle. We always answer tersely that we are a newspaper favoring the struggle for national reconciliation.

[POLITYKA] Previously TRYBUNA LUDU often engaged in polemics with POLITYKA, polemics that probably reached their apogee in 1968 when W. Mysiek in his article, "What People? What Socialism?" attacked M. F. Rakowski for his [POLITYKA] article, "People and Socialism." TRYBUNA has also published other articles attacking POLITYKA for its different views on historical, political, and cultural affairs. At that time TRYBUNA had enjoyed the advantage of the prohibition against engaging in polemics with a newspaper representing the party's "bible." Now this prohibition does not exist.

[Majka] Fortunately. It is simply that the situation has become normal. Differences of views are a normal thing. Polemics too. The differences in readership between TRYBUNA LUDU and POLITYKA also are bound to

result in differences of approach to various problems, in selection of arguments, in intonation. But essentially we share the same goals, and in order to attain them, these differences in views and assessments by the left wing cannot be precluded. Consider for example the well-known Rzeszow "Bomis" Affair. At the time, several weeklies had engaged in polemics with us. We had been certain that we based ourselves on documents and facts. Our opponents relied on subjective opinions, sometimes even ones conditioned by family ties. In such cases disputes are certainly necessary.

For now and in the future polemics to us means solely polemics between writers rather than polemics of the title versus title kind. This also applies to the arguments used. We view suspicions [ad hominem accusations] as belonging to the ugly past.

[POLITYKA] Is it easy to direct a party newspaper? What is the extent of your independence as editor in chief and dependence on the people from the Central Committee building? Let me cite here Engels, who in a letter to Bloch wrote that both Marx and he could work only for a newspaper that would be financially independent of the party. What do you think of it?

[Majka] The financial aspect aside, I generally share the intentions of Marx and Engels, although I do not view this opinion literally. The fact that I am an editor in chief appointed by the Central Committee places me under the obligation of guiding myself by the resolutions and way of thinking of the Central Committee. But as for the decisions I take in that connection, I alone am responsible for them. No one is "manipulating" me.

[POLITYKA] Is TRYBUNA LUDU being censored?

[Majka] Formally it undergoes the same censorship as any other newspaper.

[POLITYKA] Has TRYBUNA LUDU in its 40 years of existence ever been accused of some deviation—and "penalized" for it?

[Majka] I am not so well acquainted with the newspaper's history as to answer this question. But I assume that such situations did happen. If I myself at present am deviating, so to speak, I can provide a sufficient number of arguments to justify and defend this.

[POLITYKA] How is it possible to defend in turn every new Administration throughout every new period of history? To be sure, yours is the organ of the Central Committee, but the credibility of TRYBUNA LUDU itself and of its nearly 170 reporters also counts.

[Majka] You would have to ask my predecessors. I have been working here for only a little more than 3 years, but I am aware that at every turn [meaning at every new twist and turn of party policy] a great many people left

our editorial staff. This is the price one has to pay for working at the national organ of the party, the price of personal commitment to implementing party policy.

[POLITYKA] Let me again congratulate you on the anniversary and thank you for the interview.

**Foundation Commemorates National Holidays,
Victims of East**

26000168 Warsaw PRZEGLAD KATOLICKI in Polish
No 44, 30 Oct 88 pp 1, 6

[Interview with Wojciech Ziembinski by Tadeusz Karolak: "Lest We Forget Them"; date and place not given]

[Text]

[PRZEGLAD KATOLICKI] You are called the guardian of national memory. Please tell us where this definition comes from.

[Ziembinski] I believe it comes from life, although in this definition there is a lot of exaggeration. If so, then one must define in this way the activities of several other individuals with whom I do what I do.

[PRZEGLAD KATOLICKI] Could you tell us what you do?

[Ziembinski] And what will the censor say about it?

[PRZEGLAD KATOLICKI] We shall see.

[Ziembinski] I participate in many activities which are aimed at the remembrance of the Polish tradition of independence. The tradition of 3 May, 11 November, 15 August, the one which should uplift us. Also those which demand redress: 17 September or Katyn. We are also endeavoring that the First Cadre or the Lvov Eaglets are not forgotten.

[PRZEGLAD KATOLICKI] You are not a historian, so why are you doing this and what started it?

[Ziembinski] No, I am not. But do only historians with diplomas have a patent on the truth? As our postwar history shows, those in authority, in any case the majority of them, have constructed history for the use of ideology. That is to say, a record of our history which omitted facts inconvenient for this ideology. Therefore we had to undertake activities which would preserve that which was consciously kept quiet and which they tried to erase from memory. We had to do this in order to rescue the national identity of new generations of Poles. This was both our civil and our soldierly duty.

[PRZEGLAD KATOLICKI] How should "soldierly duty" be understood?

[Ziembinski] Although I removed my uniform in 1947 after my return from England, I have always felt that I am a soldier. There was no demobilization order for those who wanted to fight for national awareness. It is true that the shooting stopped a long time ago, but the fight in defense of our freedom of thought continues in every field. For me the area of this fight is history, for here, as General Mieczyslaw Boruta-Spiechowicz said in 1981 in Olivia, the fatherland is in distress.

[PRZEGLAD KATOLICKI] Why did you start preserving these symbols of remembrance?

[Ziembinski] The first big ceremony in which I participated took place in Holy Cross Church in Warsaw on the 50th anniversary of the march of the First Cadre on 6 August, a date which has been completely forgotten and erased from our history. Yet that march from the neighborhood of Oleandry in Krakow was the first march toward a free Poland, and it later bore fruit in November 1918. Therefore the holy mass in Holy Cross Church also had such great significance. On the other hand, the first marble tablet commemorating our history in which I had a modest part in originating was placed in Czestochowa. Well, in 1975 (exactly 4 years after the final destruction of the Lvov Eaglets cemetery) in Jasna Gora, Primate Stefan Wyszynski dedicated a tablet commemorating the deed of the Eaglets. This was very solemn, with the three bishops Wladyslaw Rubin, Henryk Gulbinowicz, and Zbigniew Kraszewski assisting, in the Miraculous Image Chapel. Whereas the initiators of this event were Generals Roman Abraham and Mieczyslaw Boruta-Spiechowicz. The next tablet was placed in 1975, on 2 November in Warsaw Cathedral, and it commemorated the 50th anniversary of bringing the ashes of the Unknown Soldier to the capital. Later, in 1978, we placed a tablet commemorating Marshal Jozef Pilsudski in St Aleksander's Church on Three Cross Place. It may be said that this was "my" first tablet, in other words, which originated from my inspiration and my own funds.

[PRZEGLAD KATOLICKI] Few people know that your life's work, if it can be so designated, is a place dedicated to those "Killed in the East" situated on the exterior of St Boromeusz Church.

[Ziembinski] [Censored material] (Statute from 31 July 1981, on inspection of publications and exhibitions, article 2 point 6 (DZIENNIK USTAW No 20 item 99, 1983; DZIENNIK USTAW No 44, item 204)).

[PRZEGLAD KATOLICKI] (...) are you working on the matter of those killed in the East at all?

[Ziembinski] Yes. I must also say what the circumstances were under which this happened. Here during martial law I was holding a "retreat" on Rakowiecka Street, and please do not confuse the place in which I was with the Jesuit fathers, who have a church on that same street. And indeed it was there that I thought during those few months that I must do this, that there is a new throng of

compatriots who have not been honored publicly anywhere up till now. How many tablets and monuments of national commemoration do we have in Poland honoring the memory of those killed in World War II? These are, however, chiefly expressions of remembrance for those who perished at the hands of the Germans. It should be so, and we must remember them. But why only them? Why not those who perished at the hands of the Russians after 17 September 1939? I dreamed up this national epitaph, "Sanctuary of Those Killed in the East," on Rakowiecka Street, which Providence allowed us to achieve. To achieve, that means "to infect" those with this issue thanks to whom this was successfully carried out. After all, I myself would not be in a position to accomplish this at all.

[PRZEGLAD KATOLICKI] And to whom other than yourself are we indebted for this?

[Ziembinski] Above all to Primate Jozef Glemp, who not only agreed to this, but also dedicated a granite cross on 1 November 1984 in honor of the memory of the more than 1 and 1/2 million killed in the East, placed on the exterior wall of the sanctuary at Powazki. There would be no cross and none of what is around it if not for the excellent priest, AK [Home Army] chaplain, and parish priest of the Powazki sanctuary, Prelate Stefan Niedzielak. For the fact that "we spoke in this stone place" of many granite tablets, we are indebted to the AK [Home Army] lieutenant code-named "Fly," Engineer Jadwiga Zienkiewicz. She is the architect of this sanctuary.

[PRZEGLAD KATOLICKI] All this certainly must have cost a lot.

[Ziembinski] Yes, but fortunately it is being done without any collections. These are private funds.

[PRZEGLAD KATOLICKI] In addition to the plaques commemorating this not-so-recent history, there are tablets...

[Ziembinski] Yes, there are tablets there dedicated, as is hewn in the granite, "to the defenders of the RP [Polish Republic] borderlands, the heroes of the Border-Guard Corps, and the innocent victims of Katyn, the camps, and deportations." There is a plaque dedicated to the memory of 28 generals who died in the East. There are tablets dedicated to the soldiers and officers of the eastern districts of ZWZ AK [Home Army Union of Armed Struggle], and also to the boy scouts from borderland troops. On the so-called AK [Home Army] wall under the tablet for soldiers from the combined districts of Vilnius, Nowograd, Lvov, and Polesie we placed a granite inscription, "If we ever forget them, Thou, O God, will forget us." Lower down there are tablets bearing the names of those murdered in Katyn and in other places in the East. There are now about 350 of them, funded by the families of those murdered.

[PRZEGLAD KATOLICKI] But I wanted to ask about something else. There is a tablet there dedicated to Valerian Lukasinski. Why?

[Ziembinski] We placed it there on the 200th anniversary of his birth. For us, Lukasinski is not only a symbol of those killed and martyred in the East, but also is the father of the Polish independence conspiracy. And for us who are prisoners of conscience, he is the patron of political prisoners. He spent 45 years and 4 months in prison, and about 40 of those years in irons. He died in prison. An excellent character. He left an unusual diary. He bore no hatred in his heart. He said that both peoples, Russian and Polish, must bridge the gulf separating them with love. The basis of mutual understanding between both peoples, according to Lukasinski, was to be mutual acknowledgement of the right to self-determination.

[PRZEGLAD KATOLICKI] There is also a tablet here dedicated to the boy scout Romek Strzalkowski, who died in 1956 in Poznan...

[Ziembinski] [Censored material] (Statute of 31 July 1981, on the control of publications and exhibitions, article 2 point 3,6 (DZIENNIK USTAW No 20 item 99, 1983; DZIENNIK USTAW No 44, item 204)). His death is directly connected with the last deed he performed, which appears in the dedication, "To the courageous boy scout who raised the white-and-red banner."

[PRZEGLAD KATOLICKI] Let us stay at St Boromeusz Church for a while. With your participation, a replica of the image of the Virgin of Kozielsk was also placed here. What is the history of this image?

[Ziembinski] Lieutenant Tadeusz Zielinski carved this likeness on a piece of Orthodox church door in the camp at Kozielsk. This bas-relief, somewhat reminiscent of the Virgin of Ostrobroma but without the Child, was brought safely to the camp in Riazowec along with Lt Zielinski, and from there to the II Corps general, Wladyslaw Anders. Here it became known as the patroness of II Corps and later, after Monte Cassino, as the Virgin of Victory, and then it was placed in St Andrzej Bobola Church in London. The Virgin of Kozielsk is the patroness of all those who did not make it to Monte Cassino and who perished on the endless stretches of "no-man's land," and so we wanted her also to be the patroness of this sanctuary at Powazki. In 1975 a delegation of Republic soldiers handed an enlarged replica of the Virgin of Kozielsk to the Primate for the Millennium with a request to place it in one of the churches. The Primate told us then, "Not yet."

Consent was obtained by a decree of Primate Jozef Glemp, and in the last week of April, 1986, this image was consecrated in the church at Powazki. Unforgettable words were spoken then by Prelate Teofil Bogucki. Among other things, he said then, "Old Powazki is revived by new heroes, who never can perish from our memory... Dedicating the image of the Virgin of

Kozielsk, one must state that indeed in those times and in those places of the greatest humiliation and terrible hell for Poles, they could afford to invite the Virgin to their common suffering..."

[PRZEGLAD KATOLICKI] And since we are talking of the priest Teofil Bogucki, you also have on your conscience a tablet dedicated to General Wladyslaw Anders, which was placed in St Stanislaw Kostka Church in Zoliborz. One should add that this was the first plaque dedicated to this officer...

[Ziembinski] Yes, that is true. The general had no official recognition for many years. They wanted to erase him from our memory. We installed the tablet on 1 September 1985 with the consent of Prelate Bogucki. Please note what is happening today: in one of the weekly periodicals his memoirs are being printed with the censor's consent.

[PRZEGLAD KATOLICKI] Kisiel recently wrote this about you: "No one remembers, for example, that 10 years ago a certain Wojciech Ziembinski single-handedly insisted that 11 November 1918 be officially recognized as the date of Poland's resurrection. At that time our Wojtek was arrested, injured, and punished for willfully laying flowers at the foot of the monument to the Unknown Soldier. Nowadays somehow one does not hear that in the new stage he was 'rehabilitated,' pardoned, and awarded a prize..." But 11 November is gaining [its] right...

[Ziembinski] Finally, thank God. Perhaps we will yet live to see the time when this day will be recognized by all as a state holiday. For it has long been a national holiday.

[PRZEGLAD KATOLICKI] You spoke elegantly of this "retreat." Did you do such "soul-searching" many times for this activity?

[Ziembinski] I already began my apprenticeship in a career as a political prisoner in 1942, and many years later it has also occurred several times. But that is unimportant. I note that all of us imprisoned after 1956 are not worthy to tie the "sandal thongs" of those who were in prisons during the Stalinist era.

[PRZEGLAD KATOLICKI] We still have not discussed the matter which recently is perhaps most important to you, the monument to Jozef Pilsudski.

[Ziembinski] Yes, one could say a lot about how many of these monuments there were before the war. What happened to them? Many are hidden, and are buried somewhere. They exist; people know about them. They are appealing to national councils to declare amnesty for monuments to the head of state in the 70th anniversary year of independence. I myself know of one monument buried in Wawer. I am convinced that a monument to the first marshal of Poland should stand above all in

Warsaw. Warsaw University also should reclaim its full, correct name as Jozef Pilsudski University in Warsaw. I hope that the senate of that school will pass such a resolution. A monument to the Peowiaks should also be standing, a monument which not even the war harmed, but only the times after it ended did. For this same 70th anniversary, four tablets removed from the Tomb of the Unknown Soldier just after World War II should be returned. Our tradition of the battles of the Polish soldier really did not begin at Ebro below Madrid in 1936. Should not the Virtuti Militari Cross and the Cross of the Brave also be returned to this tomb? They were there before the war with the dates 1792 and 1920. We cannot falsify history. After all, history does not yield to falsification.

[PRZEGLAD KATOLICKI] Not long ago a reporter from the second television channel asked young people from a high school class at Powazki if they knew what Katyn meant. They surprisingly knew a lot. She also showed them the spot to those "Killed in the East," of which you are a cofounder. She asked who the originator of these national mementoes was. The youth did not know. Is this painful for you?

[Ziembinski] No. It is important that they were brought there. But I must say that they are coming more and more often, and that is proof that it was necessary to do this. If I had not done this, others would have. For it is not possible to build the Poland of tomorrow cut off from its roots. But since they were cut off, and in a criminal way, someone will always be found who would oppose this.

Union Pluralism Justified by Economic Indexes
26000207 Warsaw LAD in Polish
No 44, 30 Oct 88 pp 1, 11

[Article by Tomasz Gruszecki: "Union Pluralism and Economic Reform"]

[Text] The freedom to form trade unions by workers is a right that is commonly recognized in the world today. All international agreements, to which Poland is also a signatory, confirm this as do the social teachings of the church beginning with the encyclical "Rerum Novarum" of 1891 all the way to the "Laborem Exercens i Sollicitudo Rei Socialis" of John Paul II. The significance of this workers' demand in overcoming the deep political crisis, at the root of which lies the introduction of martial law on 13 December 1981 and which [political crisis] has been continuing uninterruptedly for the last 7 years, is also obvious. The fact that important workers' groups have been continuously fighting for the legalization of union activity as well as the fact that the main demand of the striking work forces in August 1988 was union pluralism, and, finally, the most recent steps of the authorities suggesting the possibility of political understanding with regard to this issue—all provide totally

sufficient arguments that the introduction of union pluralism is an indispensable condition for breaking the political crisis with all of its menacing consequences.

I would like to devote my time here to the economic side and consequences of this demand. Thus, the economic arguments not only are contradictory but lead to the same conclusions which arise from moral and political argumentation: there exists a close link between union pluralism and economic reform. Union pluralism, of course, is not a guarantee for surmounting the crisis but it is one of the essential conditions for releasing the market mechanisms in the economy.

The Labor Market Is Part of the Market Mechanism

Labor is one of the production factors in economic ventures which the entrepreneur must hire (pay for). Therefore, wages constitute one of the elements of cost. It is obvious that efficiency which assumes the minimizing of production costs dictates the search for such a combination of production factors which gives the highest profit at the lowest possible cost. In order to be able to carry on cost effectiveness, all production factors should be equally accessible on the market at their market price. Naturally, economic calculation leads to the effective use of all production factors only when they are procured at a real and not at an artificially distorted price. Therefore, the labor market is an essential segment of the market. Without this segment, the market mechanism cannot operate properly.

In Poland, as in other centrally planned economies, the labor market has always been regulated by a series of instruments: employment quotas, wage fund limits, bank auditing of the wage fund, etc. Restrictions hindering the free structuring of the cost of labor in corporate negotiations were in effect after 1981 as well. During martial law, these were strictly administrative measures (the militarization of plants, imposed work intervention) and, later, the labor market continued to be controlled. However, this was primarily by means of tax instruments. An entire system of taxes was introduced which was extremely unstable and full of exceptions to the rule and which taxes, in particular and very severely, funds earmarked for remuneration (wages and bonuses from profits). All of this did not, by any means, protect the value of the work factor from an excessive decline but conversely, hindered wage increases by means of very severe tax restrictions. In addition, these taxes became an important source of budgetary income.

In a situation of severe worker shortages, particularly in certain professional fields, enterprises (socialized) are prepared to pay more because, nonetheless, this would enable production growth and increased profits. However, they cannot do this because of wage restrictions. This system is widely criticized by work forces, managers, workers self-governments and even by official trade unions. Furthermore, it is unrealistic because adhering

to it would cause the unquestionable lowering of real wages. For this reason, the government has had to "relax" already several times this year the formula of taxing wage increases.

It is characteristic that in the nonsocialized sector where labor costs can form relatively freely, the percentage share of wages rose following the radical price increases in 1982 whereas in the socialized sector it dropped considerably. This, of course, occurred because as a result of a significant increase in prices and in the cost of living, labor costs also rose and the mechanism of the unrestricted negotiation of employment contracts in this sector carried this trend over. It is also not by chance that after 1982, the socialized sector of the economy lost over half a million workers who left primarily for the nonsocialized sector. Polonia-type firms do not inflate wages by artificial means. They simply pay the price at which they can acquire good workers, i.e., the market price. Blocking the labor market and preventing the free formation of labor costs directly affects the workers interests.

Declining Value of Work

This results in, as recently confirmed by many economists, the declining value of the work factor. This trend, which has been clearly observed since 1982, is confirmed in all its possible aspects:

a) The percentage share of wages in the cost factor is decreasing systematically despite a nominal increase in wages. Nevertheless, this percentage share is very low and it has been dropping since 1982. As confirmed by W. Krencik, between 1982 and 1985 a drop in the percentage share of wages occurred in 21 of 23 branches of industry. Material costs as well as so-called nonmaterial, nonwage costs are rising much more quickly—thus, resulting in various imposed surcharges for the wage fund (ex. ZUS).

b) The percentage share of wages in the national income is declining. In the economy as a whole, this share fell from 29.1 percent in 1980 to 27.3 percent in 1985. During this same time, material costs (without wages) rose from 25.8 percent to 27.4 percent.

The drop in the percentage share of wages occurs even more sharply when we analyze only the socialized sector of the economy. In 1980, this share came to 46 percent and it has been falling ever since. In 1985, it came to only 31.8 percent (during this same period material costs rose only 2 percentage points, therefore, this could not have been the sole reason for the drop in the percentage share of wages).

c) The percentage share of wages in the population's personal income is also decreasing. The artificial lowering of wages results in that enterprise managers cannot conduct wage policies and motivate workers because their hands are tied with regard to raising wages even

when production increases (this is how ppww [tax on above-the-plan growth of remuneration] operates). In turn, workers engage themselves to an increasingly lesser extent in their work in enterprises (socialized) treating their wages as a specific type of social benefit. If, however, an employee cannot even earn enough to make a modest living for himself and his family, then he concentrates his main energy elsewhere.

As a result, the percentage share of wages in personal income is dropping dramatically: from 65 percent between 1970 and 1975 to 48.8 percent in 1988. Workers from socialized work establishments base their living and family security less and less on wages received from their work establishments.

Thus, labor in Poland is becoming increasingly cheaper. Naturally, the consequences of this destabilize the political system as demonstrated by both the April-May and the recent, much stronger, waves of strikes. The hidden economic consequences of this phenomenon are just as serious:

1) It is obvious that if the percentage share of some production factor in cost is low and that it is decreasing constantly, then this factor becomes relatively increasingly cheaper. Enterprises use it more and more wastefully. This results in the enormous waste of human work: time, energy, qualifications. This causes understandable bitterness among the work forces because it violates the dignity of human work;

2) lowering work value in the face of the blocking of the labor market causes a catastrophic decline in worker motivation, particularly at a time of growing market shortages. Thus, the well-known phenomenon that "nothing is worthwhile." However, this attests not to the "laziness of Poles" (which some journalists are trying to convince us of) but the pathology of the economic system; and

3) the pauperization of workers and their families, particularly with the declining growth of the national income and market production.

In the present-day economies, the labor market functions not through individual agreements or contracts between the employee and the employer but through collective and plant agreements. In order for real negotiations to take place, units representing specific workers groups, i.e., trade unions have to have a voice:

a) these have to be genuine workers representations and not monopolistic organizations (such as OPZZ) which remain under the control of the employer;

b) only genuine representations can assure stability of the negotiated contracts and, therefore, not allow "wildcat strikes" to occur. Naturally, only trade unions that enjoy true authority and workers trust can ensure this.

For this reason, union pluralism is essential for the functioning of the labor market from an economic standpoint as well. A labor market outside of state control

must be created whereas bidding among trade unions is not only unavoidable but even desirable because without this the value of work cannot be made realistic. Some enterprises are profitable enough to be able to keep workers when wages are increased, whereas others will have to reduce their work force, and still others will go bankrupt. Lowering the value of work and the lack of a labor market only serves functionaries for whom it is easier to control and plan, and inefficient enterprises that should not continue to operate.

Wage Increases and Inflation

The authorities are using the argument that price increases cause inflation to spiral upward. They also refer to the recommendations of experts from the World Bank whereas our government reformers present the more or less following argumentation in their talks with foreign delegations: thoughtless and lazy Polish workers do not want to work while constantly pressuring for wage hikes, being guided at the same time by primitive egalitarianism and being egged on by trade unions, even the official ones with which we are experiencing increasingly greater problems. ([Censored material] (Law of 31 July on the control of publications and public events, Article 2, paragraph 6 DZIENNIK USTAW No 20, item 99, amended in DZIENNIK USTAW of 1983 No 44, item 204)). This argumentation is based on referring to market mechanisms which are well known to Western government and bank circles where the percentage share of wages in production costs is significant and where strong trade unions can escalate this share upwards so that the competitiveness of a given industry falls causing the entire economy to suffer in the end.

The crux of the matter is that this mechanism of escalating inflation mainly by increasing wages does not work in Poland.

First of all, the labor market is being blocked, whereas the share of wages in costs is very low. Secondly, (nominal) wage increases are the least to blame for rising inflation. Between 1981 and 1985, spending for wages rose the most slowly. During this period, costs as a whole rose 357 percent in industry, whereas the cost of producer materials and fuel rose 348 percent; that of foreign energy by 540 percent; remaining material costs (transport, repair, maintenance services, foreign processing, etc.) by 410 percent, whereas wages rose only 320 percent.

Naturally, wage increases, which should occur, will not increase production. However, they will allow prices to become more realistic because many prices and fees for services are artificially lowered precisely because of the low level of wages. This only gives rise to the spiral of distorted prices and increases the redistribution of the national income by the budget. Therefore, an increase in the level of wages (naturally, in those enterprises that can afford this) is the first condition for making the artificially lowered prices realistic. An increase in the level of

wages even during a brief period of time is possible and desirable so that prices on goods and services that until now have been artificially lowered (subsidized) as, for example, operating fees and housing credit rates could be raised. These fees and rates were lowered because wages are highly insufficient to pay for the real value of these goods and services. This will make it possible to withdraw from many subsidies and will create the basis for the possibility and the procurement, if only alternately, of a number of services that are very important to the standard and quality of living (health services, education, culture) which until now had been rendered at no charge or payable only in part but solely [rendered] by the network of monopolistic state institutions. In striving to maintain control over various aspects of the life of the public, the state apparatus is conducting a kind of blackmail here: either you will receive poor service at the health clinic to which you are "assigned" after long periods of waiting and effort to obtain this service at no charge, but only from a state clinic, or you will receive none at all.

Therefore, things are not at all as suggested by official propaganda that the purpose of wage hikes can only be to increase consumption immediately. An equally important objective is to make work value more realistic and change the structure of prices and income so as to eliminate the needlessly developed redistribution of consumption by the budget. On the other hand, making wages and prices realistic will create conditions for exposing these areas, which until now had been run by the budget, to the market mechanism and this in turn will result in real increased consumption of these goods and services in the future.

It should be clearly pointed out that the economically, artificially induced (and politically intentional) depreciation of the work value and of the wage level is so great that no offsetting measures or compensation for price increases are adequate. A radical transposition of the ratio between enterprise income, that of family households, and that of the state is necessary. The first two must increase considerably at the expense of an equally considerable reduction in the influx of state income. The economic strength of the state, measured by means of the influx and supply of monetary income, must decrease so that the economic strength of enterprises and family households can increase.

ROMANIA

**4th Romanian-Israeli History Symposium
Proceedings Summarized**
27000015 Bucharest ANALE DE ISTORIE in
Romanian No 5, 1988 pp 123-131

[Article by Ion Calafeteanu: "Romanian-Israeli Scientific Symposium (Bucharest, 8-10 June 1988)"]

[Text] On the basis of the agreement on collaboration signed in 1982 by Ion Popescu-Puturi, the director of the

Institute of Historical and Social-Political Studies under the RCP Central Committee, and Itzak Arad, the director of the Yad Vashem Institute in Jerusalem, the Fourth Romanian-Israeli History Colloquium was held in Bucharest on 8-10 June 1988. The Israeli delegation consisted of Univ Prof Dr Zeev Sternhell, a professor at the Hebrew University of Jerusalem, Dr Jean Ancel, a researcher at the Yad Vashem Institute, and Dr Arie Steinberg of the University of Haifa, a collaborator of the same institute. The Romanian delegation consisted of Dr Constantin Botoran, Dr Ion Calafeteanu, and Dr Constantin Petculescu, principal scientific researchers at the Institute of Historical and Social-Political Studies.

The delegation of Israeli historians was received by Comrade Ion Popescu-Puturi. On that occasion, the way in which the agreement on collaboration between the two institutes is being applied was reviewed, with an accent being put on the determination of the two parties to continue collaboration that has proved mutually useful. During the conversations it was pointed out that the agreement on collaboration between the two institutes was automatically renewed for another 5-year period.

During the symposium, Prof Dr Zeev Sternhell presented a paper on "The Birth and Development of the Fascist Ideology." Starting from the stage attained by the technological revolution and the intellectual revolution at the end of the 19th century and the start of the 20th century, Prof Dr Zeev Sternhell supported the viewpoint that fascism was not the mere result of the crisis that followed World War I, as its roots lay in the previous era, in the framework called by the author "the Franco-Italian complex." The France of integral nationalism and of "the revolutionary right," it was stated in the paper, was the true cradle of fascism. At the same time, France was also the cradle of revisionism of a Sorelian type, which represented another component of fascism. Originating in France, Sorelian revisionism was broadened and strengthened in Italy, where its adherents found "the troops, conditions, and leader that would allow them to transform into a force the long intellectual incubation begun at the start of the century." Interwar fascism, the Mussolini regime, and all the other fascist movements in Western Europe, Prof Sternhell stated, lacked not one of the important ideas that slowly matured over the quarter century that preceded the outbreak of World War I. If, by its philosophical essence, fascism signified a rejection of the rationalistic and individualistic content, on the plane of ideology and political movements it represented the synthesis of an organic and tribal nationalism, with the revision of Marxism advanced at the turn of the century by Georges Sorel and the French and Italian Sorelians.

Referring then to the first of the two basic components of fascism—tribal nationalism, based on Social Darwinism and often on biological determinism—Prof Sternhell stated that, in France, this new type of nationalism was expressed more clearly in the works of Barrès, Drumont, Maurras, and the members of the L'Action Francaise

organization. In Italy, Enrico Corradini explained, in a truly incisive manner, the nature of the evolution of Italian nationalism over the years, still near, of the struggle for independence. The new nationalism formulated, back around the end of the century, the sense of the revolt directed against the spirit of the French Revolution. The gulf that separated Corradini from Mazzini, and Barres, Drumont, and Maurras from Michelet, was commensurate with the distance that lay between the nationalism of the Jacobins and that of "the land of the dead." This Barresian formula was, in fact, nothing but the French version of the famous German formula "Blut und Boden" and meant only that the old theory of the collectivity conceived as an aggregate of individuals, established by the French Revolution, would henceforth be replaced with the theory of the organic solidarity of the nation. In this regard, the system of thought devised by the French generation of the year 1890 did not differ at all from that of historian Heinrich von Treitschke, the famous theoretician of German nationalism from the end of the 19th century. Drumont and Wilhelm Marr, Jules Guerin, marquis de Mores, Adolph Stoker and Austrian Georg von Schonerer, Vacher de Lapouge and Otto Ammon, Paul Deroulede and Ernst Hasse, the leader of the Pan-German League, were like twin brothers.

The paper also underscored that it was a question of a general European phenomenon. For this new nationalism, diametrically opposed to that which tried, from the French Revolution to the Paris Commune, to achieve a synthesis of "the religion of the homeland" and humanistic religion, the nation was similar to a living being. This "total" nationalism was intended to be a moral philosophy, a set of criteria for behavior dictated by the interest of the whole body, independent of the will of the individual. By definition, this new nationalism denied the existence of any universal and absolute moral norm: truth, justice, and right did not exist except to serve the necessities of the collectivity. An image of society conceived as a closed and isolated system, a violent antirationalism, and the supremacy of the unconscious over reason molded a truly tribal view of the nation.

This cult of subterranean and mysterious forces, a fabric of human existence, Prof Dr Sternhell stated, prompted, as a necessary and natural corollary, the appearance of a virulent anti-intellectualism. For this current of thought, the fight against the intellectuals and the rationalism that nourished them became a measure of public salvation. Many nationalists around the turn of the century, like those belonging to the generation between the two wars, began a long campaign against the critical spirit and its products, pitting against it instinct, intuitive and irrational feeling, emotion and enthusiasm, those profound forces that, in their view, "determined human behavior and constituted the reality and truth of things, as well as their beauty."

To this antirationalism the nationalists also added the idea of the existence of a close-knit, homogeneous nation, undivided into antagonistic social classes.

Barres, the most important theoretician of this "Latin nationalism," was one of the first who understood that a "national" movement cannot exist unless it provides for the integration of the most oppressed social strata into the national collectivity. Thus, a new synthesis, that of "national socialism," this first form of fascism, appeared in France at the end of the 19th century. Barres was one of the first political thinkers in Europe, if not even the first, to use the term "national socialism."

The idea of "national socialism" spread rapidly to other countries in Europe, including Italy. There, Enrico Corradini tried to revitalize what he called "the fundamental pact of the family solidarity" among all the Italian social classes. In 1910, he was already using the term "national socialism" and set two objectives for the socialist and national movement: 1) The Italians had to understand that their country constituted, from a material and moral viewpoint, "a proletarian nation"; 2) Domestic peace had to be established between the proletariat and the moneyed classes of the nation.

The principles of Italian nationalism did not differ essentially from those devised in France 20 years earlier. The idea of a "proletarian nation," meant to prepare the Italians for the struggle for existence, that is, for war, constituted Corradini's only original contribution. The state of war was regarded by Corradini as a natural state that always prevailed in relations between nations.

The second essential component of fascism, the one that, in symbiosis with antiliberal and antibourgeois nationalism, formed the fascist ideology, was the antimaterialistic revision of Marxism by the so-called revolutionary revisionists. Violent criticism of Marxist economics constituted the starting point of this antimaterialistic revision of Marxism. The Sorelians remained ever faithful to the idea that any progress is connected with a market economy. Consequently, any intervention in the mechanism of liberal economics or any legislation that would intervene in the free play of economic and social forces would represent, in their opinion, a deadly peril for socialism.

But the big difference between the Sorelians and the revolutionaries was the fact that for them, from the start of their approach, capitalism in itself was never called into question; they did not intend to replace capitalism and did not conceive of a postcapitalist period. In this, Sorel differed essentially from all other European socialist thinkers, including among them also all those reformist theoreticians in Western Europe who, although taking capitalism as a given, remained, at the same time, faithful to the idea that a society based on the socialization of property is always better than a society built on private ownership. The Sorelians were the first theoreticians coming from the left who refused to condemn private ownership, individual profit, and market economics. In addition, Sorelian revisionism replaced the Hegelian rationalistic foundations of Marxism with a

new image of human nature, with Bergson's anti-Cartesianism, with Nietzsche's revolt, with the latest discoveries of Pareto's sociology. Sorelian socialism, voluntaristic, vitalistic, and antimaterialistic, utilized Bergsonism against "scientism" and did not hesitate to attack reason. It was a question of a philosophy of action based on intuition, on the cult of energy, and on *elan*.

On the plane of political theory, Prof Sternhell stated at the end of the paper, the fascist synthesis was already expressed clearly in about 1910-12 in publications like "La Lupa" in Italy and "Cahiers du Cercle Proudhon" in France. After the first trails were blazed in France, it remained for war to provide the favorable circumstances in Italy to transform such a movement of ideas into a political force. The Great War constituted for the founders of fascism a laboratory to verify concretely the ideas that they advanced during the 1st decade of our century.

In the paper "Facets of Anti-Semitism in Romania (1919-1944)," Dr Jean Ancel stated that in 1945, when the horrors in the Nazi extermination camps became known, it was possible to see how unlimited the irrationality of anti-Jewish prejudices was. Consequently, an analysis of anti-Semitism anywhere must take into account the two aspects of it: the presence of objective, rational causes and of other, irrational causes, connected with what Sartre defines as "passion." Later the paper stated: "For the majority of Christians, the image of the Jew is less the result of personal experience and more the influence of vague scraps of religion, of history, of generally accepted social attitudes and ideas. Modern anti-Semitism depends on adapting and remolding the old anti-Semitic legends to the new realities, to the economic, social, intellectual, and other crises that are inherent in any change, any progress. Hereditary enemies, taboos, and superstitions persist in the subconscious, to be revived if someone wants. Even if Jews did not exist in the 'pure state' described by Jewish historian Leon Poliakov, someone, and perhaps not God, would have invented them!"

In Romania, the paper stated, anti-Semitism was the result both of real causes and of irrational causes. "Anti-Semitism constituted a latent factor in Romanian society and in its various spheres of economic activity, it being generated by various causes, corresponding to the stages of political and economic development of the Romanian nation. However," Dr Jean Ancel insisted on specifying, "if we were to take into consideration only Romanian anti-Semitic literature and rubbish, we would run the risk of remaining with an incorrect image, from which it would result that the life of the Jew in Romania up to World War I would have been most insecure, most difficult, most unbearable. We must underscore from the start a characteristic peculiar to Romania—and this not only in the case of the Jew—namely, the difference between the laws, orders, decisions, desires and the reality, due largely to the goodness of the Romanian people." To this is also added the fact that the authorities themselves did not inflexibly apply the laws.

Referring to the formation and consolidation of Romanian Judaism as a community distinct from the other Jewish collectivities in Eastern Europe, the paper stated that they occurred, unfortunately, at an important time for the Romanian people and an unfavorable time for Jews: at the height of the national rebirth of the Romanian people and their struggle for liberation not only from foreign control but also from internal exploitation, a struggle that took all their energies. The modern political framework—the Romanian state created as a result of the Union of the Principalities and the gaining of independence—still coexisted with the country's socioeconomic and semifeudal backwardness. Toward the end of the past century, the arable land was still largely in the hands of about 5,000 aristocrats, modern industry was just beginning, and the ruling classes were interested in maintaining a social system that provided them with power, privileges, and cheap labor. Significant changes occurred in Romanian agriculture after 1864. But regarding big landed property, these changes were less visible in the methods of cultivating the land than in the way of managing and administering big agricultural areas. Each year, more landowners left their estates and residences in villages and leased them to tenants who, with rare exceptions, were not farmers by trade, ready with agricultural equipment and implements that they needed; usually they were agricultural speculators who leased the respective areas for a short period of time, paying exorbitant sums to the owners. In return, they had to be sure that they would be able to recover their capital, with a suitable profit, despite the risk of such a transaction. Concerned with obtaining high posts in the state, the aristocracy left to the Greeks, Armenians, Jews, and others the duty of obtaining as much money as possible for them, thus causing these tenants to exploit both the land and those who worked it.

The author then presented a series of elements of a diverse nature that, in his opinion, would have favored the appearance of anti-Semitism in Romania. He judged, however, that, "up to World War I, there was no big anti-Semitic movement in Romania, and the anti-Semitic groups that made their appearance in the last decades of the 19th century did not significantly contribute to the persecution of Jews. Their influence in this field was secondary, and sometimes even the Romanian Governments dissociated themselves from their activity."

Starting from the opinions of W. Filderman, the former chairman of the Union of Jewish Communities in Romania, the paper stated that, before World War I, the anti-Semites in Romania made four main accusations against the Jews: a) There were too many; b) They were newcomers; c) They refused assimilation; d) They exploited Romanians and, in particular, peasants. In 1938, one of the ideologists of the Legionary movement felt that the Jews were a great danger to the existence and culture of the Romanian people due to: the great number of them; their concentration in cities, where they represented the middle stratum, which practiced business and industry, having the tendency to occupy management

posts in the Romanian state; the impossibility of assimilation; the merciless exploitations of the native Romanian population; their spirit of corruption, which infected the moral life of the country; the growing tendency toward immigrations and acquisition; the attempt to speak, write, and create works of Romanian culture and art on behalf of the Romanian people but in a Judaic spirit, which was not only monstrous but also unnatural. These accusations made against the Jews, the paper noted, contained real components, but also many untruths and irrational components, which the fascist elements exploited for their benefit.

After a short presentation of the fascist and extreme rightwing groups that promoted anti-Semitism in Romania in the interwar period and of the economic, social, and political conditions that favored their rise, the paper stated: "The problems raised by the leaders of the two big anti-Semitic movements—the LANC [National Christian Defense League] and the Legion—were true problems, but they distorted reality and were misleading as to the solutions. When A.C. Cuza, starting from the premise that the Christian population was declining in the cities..., also called for 'the encouragement of national industry..., technical and business education for the Romanian element..., the eradication of fraudulent bankruptcies..., the inspection of food and beverages and the punishment of adulterators..., the combating of alcoholism,' he was formulating proposals that even now seem logical and are applied in many countries. And Codreanu, bewildered by the phenomena that were occurring before his eyes, spoke out, in fact, in favor of overturning all the principles that were the basis for the postwar Romanian world, proposing not solutions but rejections: antidemocracy, antiparlamentarism, anti-Semitism, as well as the creation of that man of a new type, and the penetration into all sectors of political, economic, and intellectual life of totalitarian positions. Romania's backward social and political structure did not have to be overcome, the country's integration into the capitalist circuit did not have to be hastened, but the elimination of the Jew was going to automatically solve the basic problems of Romanian society. The bigger or smaller economic crises, the white-collar unemployment, the drop in the real salaries of entire categories of civil servants and officers, etc., accentuated the frustration of the urban middle strata. Codreanu's response, taken from A.C. Cuza and broadened, was simple and attractive: 'The historical mission of our generation is to solve the Jewish problem.'" What had to be changed, in fact, Dr Jean Ancel stated—"was the country's entire social and economic structure, something impossible to achieve because of Romania's specific development. This was illustrated clearly when the Legionary government and then the Antonescu government 'solved' the Jewish problem, taking away from all Jews economic posts, trades, occupations, dwellings, and civil rights," without Romanian society's real and true problems being solved.

The last part of the paper pointed out that "Romanian society did not unanimously accept the anti-Semitic and

racial policy, as it is true that a large part of this society viewed the anti-Semitic phenomenon as contrary to the laws of civilization. There was also a bourgeoisie receptive to humanistic forms and Western culture..."

The paper presented by Dr Arie Steinberg on the topic "The Antonescu Regime's Attitude Toward the Matter of the Emigration of the Jewish Population (1940-1944)," stated that, even before the establishment of the Antonescu regime, the governments in Romania allowed Jewish Romanian citizens to emigrate, and for those in neighboring states, they approved passage through the country's territory to the port of Constanta in order to embark for the final destination of Palestine and to thus escape the Holocaust. The right of transit through the country was thus given to Jewish refugees from Austria (after the Anschluss), from Czechoslovakia (after its occupation by Nazi Germany), from Germany, and from Poland. "Romania," Dr A. Steinberg underscored, "thus became a big center for Jewish refugees from central and Eastern Europe, Jews who, largely due to this fact, were saved from extermination. From 1938 to 1 September 1939, 22 ships with 12,801 emigrants from Austria, Germany, Czechoslovakia, and Poland, with the destination of Palestine (they were largely considered 'illegal' emigrants by the British authorities in Palestine), left Romanian ports on the Black Sea and those on the Danube. The Palestinian bureaus in these countries, with the help of the Zionist movement in Bucharest, made all the necessary preparations (such as renting or buying the ships, accompanying the emigrants from the border to the ports of embarkation, supplying food and clothing, fuel, water, etc.). In addition, these bureaus—in fact, representations of the Jewish entity in Palestine—obtained the approval of the Romanian authorities despite the British pressure on Bucharest, pressure that sought to forbid the emigration of Jews from and through Romania to Palestine (especially after the publication of the White Paper of May 1939)."

After the war broke out and until the Antonescu regime came to power, 3 ships with Jewish emigrants left Romania and another 2 ships raised anchor in the Bulgarian port of Varna—also with Jewish emigrants from Romania—4,741 persons in all. The emigration continued even after September 1940, with the new regime's continued positive attitude on the emigration of Jews from Romania. Thus, up to the end of 1941, another 5 ships departed Romania with about 4,800 Jewish emigrants, the majority of them refugees from Poland who managed to cross Romania's border on the way to Palestine. "Romania," it was pointed out in the paper, "became a transit point for Jewish emigrants from central and Eastern Europe, especially after June 1940, when fascist Italy joined the German attack on France. Italy's borders and ports were closed tight, with Romania becoming practically the only escape hatch in central and Eastern Europe through which Jews from countries occupied by Nazi Germany were able to escape to Palestine."

Up to February 1941, when diplomatic relations with Great Britain were broken off, the English Government's pressure on the government in Bucharest to delay or even cancel the departure of ships with emigrants from Romanian ports did not stop for a moment. Nevertheless, the Antonescu government did not forbid the departure of ships with Jewish emigrants from Romania, neither did it do so after it joined the anti-Soviet war or after 23 October 1941, when H. Himmler's order from the government in Berlin forbidding the emigration of Jews from Germany and occupied France was published.

The emigration of Jews from Romania continued even from 22 June 1941 to 23 August 1944, although with frequent interruptions, despite the dangers presented by navigation in the waters of the Black Sea and despite Romania's status as a satellite of Nazi Germany. It must be mentioned, the paper stated, that, up to the end of 1940, the Jewish population's representatives had constant contact with the government circles regarding emigration. These ties between the leaders of the Jewish population and those of the government continued even after General I. Antonescu came to power, with one of the subjects being the continuation of the emigration of Jews from Romania. Unfortunately, new obstacles arose in the path of emigration after the breakoff of diplomatic relations between Romania and Great Britain (February 1941) and Romania's entry into the war (June 1941): Jewish emigrants from Romania were declared by the English Government to be "citizens of a hostile country," an act that gave England an excuse to forbid their entry into Palestine. However, even under these conditions, the leaders of the Jewish population in Romania and the leaders of the Emigration Organization made great efforts to get around this obstacle and find new possibilities of emigration. They exploited the Antonescu government's feeling that it would be in the interest of the Romanian state for as many Jews as possible to leave the country. Although difficulties arose—such as, for example, the refusal of some countries to grant entry visas to Jews (who did not have the right to return to Romania) or even transit visas—the Antonescu government was convinced that "Jewish emigration from Romania can be executed and developed successfully insofar as the Romanian state's interests require it."

The Romanian proposal at the end of 1941 also finds its explanation in this situation favorable to emigration. On 30 November, Vilenski, the activist of the Jewish Agency, informed Moshe Shertok, the head of this organization's political section, about a conversation that took place between Turkish diplomat Satvet Lutfi Tozan and I. Antonescu in the middle of November regarding the emigration of Jews from Romania. Vilenski also enclosed a statement by Dr W. Filderman, the leader of the Romanian Jews, which included the following plan, based on the Romanian proposal: the coming to an agreement with the governments of the United States, Great Britain, and Turkey in connection with finding countries that would give Jews the right to stay temporarily on their territory; the coming to an agreement with the Turkish Government

regarding the right of transit of Romanian Jews to countries that would grant entry visas; the matter of obtaining, along with the Romanian Government's approval for the emigration of Jews, the agreement of the governments of the Soviet Union, Germany, and Bulgaria with regard to transporting the emigrants by sea or by land, providing security, etc.; the obtaining of the consent of the South and North American states and of the British dominions and colonies to receive Jewish refugees on their territory. However, the British Government refused to approve this unofficial Romanian proposal, so the project failed.

In 1942, after the sinking of the vessel Struma (at the end of February), emigration slackened, although 250 Jewish emigrants also managed to leave Romanian ports on 8 small boats in that year; in addition, about 1,700 Jewish refugees from Hungary managed to transit Romanian territory by train. "It must be mentioned," the paper pointed out, "that the negotiations regarding 'legal' or 'illegal' emigration took place despite the Nazi pressure to forbid the emigration of Jews from Romania. It goes without saying that the most important thing that must be underscored is I. Antonescu's refusal to deport Jews from the kingdom and southern Transylvania to the extermination camps in Poland. The Romanian leader preferred emigration to extermination as a solution to the Jewish problem in the kingdom.

In 1943, through Mihai Antonescu's letter to Dr I. Costinescu, the president of the Red Cross, it was made known publicly that the Romanian Government agreed, in principle, to facilitate emigration and, as a matter of fact, to intercede to obtain the right of transit and provide transportation. In the same year, the Jewish Zionist leaders in Romania convinced the Romanian leaders to grant asylum to Jewish refugees from neighboring countries and to reject the German demand to extradite them; Dr W. Filderman even asked the Romanian Government to take responsibility for their fate. When 300 "illegal" refugees reached Cernauti, Romania, in the summer of 1943, they, at the request of the native Jews, received from the Romanian Government the right to stay in Romania. At the same time, Romania's consent to grant the right of transit was obtained for 5,000 Jews from Eastern Europe who had passports for the destination of Palestine. The Romanian Government also consented to permit several groups of Jewish children from Hungary to pass through the country's territory on the way to Palestine. The first group of 200 children passed through Romania to Turkey in March 1943. Matters proceeded similarly with Jewish refugees from Hungary; at the end of 1943, about 150 persons reached Romania, and in the summer of 1944, thousands of Hungarian Jews, who came to Constanta on the way to Palestine, crossed the border illegally. And finally, we mention the proposal in 1943 to return the 5,000 orphan children from Transnistria and to transport them to Palestine with Great Britain's consent (including all adolescents between 16 and 18 years).

In 1943, contact was also made between Bucharest and the bureau in Istanbul that represented the Jewish

Agency in neutral Turkey and was occupied with, among other things, rescuing and transporting Jews from Europe to Palestine. The aim of this contact was to resume the emigration of Jews from Romania. And in fact, in the spring and summer of 1944, up to 23 August, 9 ships with over 3,000 Jewish emigrants were loaded in Romanian ports.

The presentation of the Romanian Government's rejection of the Third Reich's interference in the Romanian Government solution of the so-called Jewish problem in Romania through support for emigration and not through physical elimination of this population occupied an important place in the paper. "The Romanian leaders," the paper stated, "tried to conduct an independent policy and refused to turn over to A. Eichmann the Jews in Romania, although their country was an ally of Nazi Germany and they themselves were anti-Semites. Despite the official German position, the government in Bucharest sometimes took positive and public steps (including in the press) in connection with organizing the emigration of Jews. In 1942, Gustav Richter, the adviser for Jewish affairs within the German Legation in Bucharest—delegated on behalf of A. Eichmann's section, IV-B-4—approached Ion Antonescu and asked that the emigration of Jews from Romania be stopped, but without success. Consequently, on 12 February 1943, Von Killinger, Germany's ambassador to Bucharest, declared: 'Antonescu has reconsidered the final solution to the Jewish problem.'"

The long talks in connection with the possibility of the return of the Jewish refugees from Transnistria to Romania and of their emigration to Palestine constituted proof in this regard. As early as 1942, Radu Lecca, the Romanian Government's representative for solving the Jewish problem, promised Dr S. Enzer, the director of the Palestinian Bureau in Bucharest, that it would not "upset" the Zionist actions for emigration. For another thing, Romania was ready to accept the emigration of some of the Jews, provided that the Romanian ships were able to return to the ports of origin without any fear that they would be confiscated by the English when they reached Turkey. At the end of 1942, Marshal Antonescu decided that emigration would occur as an alternative to the extermination of Jews. In consequence, the Romanian Government decided to release the Jews deported to Transnistria, provided that they be transported abroad immediately with the help of the international Jewish organizations. Filderman declared that he was ready to accept this proposal only in the event that the release of the Jews in Transnistria and their return to Romania constituted the first step. In February 1943, the Swedish press published the Romanian Government's proposal addressed to the governments of the United States and Great Britain in connection with permitting the emigration of the approximately 70,000 Jews between the Bug and the Nistru. To that end, the Antonescu government permitted the departure of a delegation of the Relief Committee from Romania to Transnistria and the visit of a representative of the International Red Cross to that region. In October 1943,

an article with the title "Romania Still Cares About Its Jews," in which it was underscored that the Romanian Government's attitude toward the Jews was integrated into the reorientation of its foreign policy of separation from the Axis, appeared in the newspaper HAARETZ in Tel Aviv.

At the beginning of 1943, I. Goldin, the representative of the emigration section of the Jewish Agency in Istanbul, conveyed to D. Ben-Gurion and I. Grinbaum, R. Lecca's proposal, delivered to Hollander Smith, the chief manager of the Philips Radio firm in the Balkans, in connection with solving the Jewish problem in Romania. This proposal, which was to reach the Allied great powers, contained the following points: The Romanian Government agreed to release all Jews who were deported to Transnistria and remained alive (about 70,000 persons), to transport them to Bucharest, and to house them until the means to leave Romania for Palestine or for another destination were found (in this regard, it was necessary to obtain the consent of the governments in London and Washington, which constituted an indispensable condition for carrying out the plan); the Romanian Government would permit the transportation of the Jews released from Transnistria on Romanian ships to the destination (the Vatican's representative in Romania conveyed the Vatican's agreement to fly its flag on the ships bearing emigrants); the Romanian Government would collect a fee of 200,000 lei per person (\$600,000 in all) as payment for the transportation costs from Transnistria to the final destination. The reaction of the governments to this proposal was negative: The United States asserted that "economic warfare requires the avoidance of any negotiations that would permit the transfer of American dollars into Germany's hands." In addition, the correspondent of THE NEW YORK TIMES published an item about the Romanian proposal, regarding it as "a Nazi maneuver." On Dr Haim Weizman's intercession with Lord Halifax, the British ambassador to Washington, regarding the seriousness of the Romanian proposal, the English Government responded cynically that "it cannot view seriously the proposal from Bucharest." In England's opinion, the government's proposal was nothing but blackmail, which could have impeded the effort to win the war! The only solution, in the opinion of Great Britain's government, was the final victory over Germany, it being forbidden to endanger this effort by any other actions regarded as secondary. Therefore, the proposal was not accepted, but it must be pointed out that, in 1943, the Romanian Government permitted the emigration of some groups of Jewish children, but even this opportunity was largely wasted.

Romania's consent, published on 19 March 1943, to put the Romanian ships Transilvania and Basarabia at the disposal of the organizers of illegal emigration also had a similar fate. The plan was not carried out because of the refusal of Nazi Germany (which asserted that the government in Bucharest had an "unclear attitude" toward the emigration of Jews). Nevertheless, starting in December 1943 and continuing practically up to August

1944, 9 ships with about 3,000 Jews from Hungary, Bulgaria, and Romania left Romania for Palestine.

In the paper presented by Dr Constantin Botoran on the topic "Aspects of the Situation of the Jews in Romania up to World War II," it was underscored that in the course of time, due to the Romanian people's hospitality and kindness and their total disagreement with the idea of exclusivism and national discrimination, over 750,000 Jews settled on Romanian land, most of them coming from neighboring areas, driven out by the periodic persecution that was unleashed against them. In contrast with countries like Austria, Germany, etc., where the anti-Semitism was also based on biological and racial considerations, the paper stated, the racial theories did not make converts among the Romanian people. Referring to the appearance of anti-Semitism in Romania, the paper pointed out that, starting in the second half of the last century, for the Romanian bourgeoisie—right in the middle of the process of affirmation—and for its ruling circles, the problem of foreigners, in general, and of Jews, in particular, became essentially an *economic problem*, generated by the fear that the main factors in the economy, especially business, industry, trades, and finance, would be monopolized by Jews. This situation gave rise to a current of opposition among some circles of the Romanian bourgeoisie, interested in eliminating the competition of the capital held by Jews, with strong ties beyond the country's borders. Hence, some restrictive steps were taken by the governments with regard to the Jewish bourgeoisie's presence in the economy and the professions as well as steps to promote the Romanian element in these fields until a certain level was reached. The law for the Protection of National Labor (July 1934) and the Law for the Revision of Romanian Citizenship (21 January 1938) were analyzed from this angle in the paper. As regards the anti-Semitism of the extreme rightwing organizations—the National Christian Defense League and the Iron Guard—it was expressed by a strident demagoguery, in an attempt to find scapegoats for the mistakes of big capital, including that held by Jews. Despite this fact, the paper underscored, these organizations did not gain mass adherence.

In the paper "Antifascist and Antiracist Attitudes in Public Opinion in Romania, 1933-1944," Dr Constantin Petculescu brought out the vast and incessant offensive launched by the Communist Party, by the democratic forces in Romania, to unmask the ideology hammered together by the doctrinaires of international and internal fascism, whose main coordinates were racism, antidemocratism, the cult of death and intrigue, and the antinational spirit with its corollary, anticommunism; and the energetic actions, sometimes of a mass nature, against reactionary, anti-Semitic diversion and the hooligan, terrorist disturbances of the extreme rightwing organizations and especially of the Iron Guard.

The mention of the Romanian people's expressions of solidarity and support for the tragedy of the Jewish population in 1940-44 occupied a central place in the paper. Many actions of influential political forces and the examples of dignity, civic courage, support and solidarity of the many

anonymous heroes who, facing the cruelties of the times, saved many lives, concealed and harbored entire families of Jews subjected to brutal persecution, and did everything humanly possible to ease their suffering were presented. The Romanian people's tolerance and humanism saved, in an era dominated by abominable genocide, the lives of many people among the Jewish population, with the largest Jewish collectivity in Europe (over 300,000 persons) remaining in Romania after World War II.

Presenting the paper on the topic "The Antonescu Regime's Attitude Toward the Matter of the Emigration of the Jewish Population," Dr Ion Calafateanu stated that, in 1940-44, the Romanian Government always had an attitude favorable to the emigration of the Jewish population. It maintained this viewpoint despite all the pressure brought by Nazi Germany. If, nonetheless, the emigration did not attain the proportions desired both by Jews and by the Romanian Government, this was due to the lack of means of transportation, the danger along the routes, the fact that there were no countries disposed to accept Jews from Romania (and Eastern Europe, in general), and misunderstandings even within the Jewish community in Romania. The significance of the statement sent to the Reich by Romania in March 1943, through which the Romanian Government dissociated itself clearly and openly from Hitler's Germany with regard to the way of solving the Jewish problem, was pointed out in the paper.

The discussions that took place regarding the papers, written on the basis of the documents existing in the archives of the two institutes, brought out a wide area of factors on which the Romanian and Israeli historians had similar or even identical viewpoints.

On 10 June 1988, the Israeli delegation was again received by Comrade Ion Popescu-Puturi. On that occasion, the Israeli historians expressed their satisfaction with the proceedings of the symposium and underscored the high scientific level of the papers and of the discussions that took place. At the same time, there was an exchange of views on the topics of the next symposium, which will be held in Israel, topics to be finalized later, by mutual agreement, through an exchange of letters between the managements of the two institutes.

Emigre Journal Reprints Anti-Ceausescu Satirical Poem

27000022 Paris BULETIN DE INFORMATIE
PENTRU ROMANI IN EXIL in Romanian
16 Nov 88 p 9

[Unsigned article: "Ana Blandiana's Column in ROMANIA LITERARA Suppressed." BULETIN DE INFORMATIE PENTRU ROMANI IN EXIL is an emigre journal that regularly publishes news and other items on Romania. Its articles are highly critical of the Ceausescu regime.]

[Text] Dumitru Radu Popescu has been enthroned as director of ROMANIA LITERARA. One of his first acts

as the new director was to suppress Ana Blandiana's regular column. This is almost certainly because of the children's book that was published in May 1988 by the Ion Creanga Publishing House titled "Happenings on My Street," which was withdrawn from bookstores immediately after its appearance. Why? Because of a poem, "A Star on My Street," in which Mme Ceausescu (the decision to remove the book came from the Second Cabinet) saw her husband in the haughty tomat—the poem's hero. Here is this poem:

A Star on My Street

by Ana Blandiana

Before continuing
I must open a parenthesis
(Another chapter in the book, that is)
About someone who's no riff-raff or lout.
Epithets reveal nothing in his case, no doubt,
Better tell you I'm talking about ARPAGIC.
And having said ARPAGIC I think it will do,
No need to say more, you'll know in a tick,
Who this personage is I'm proposing to call
The most celebrated tomat in town,
To whom poems have been penned, and portraits done
As is customary among movie stars.
And on top of other things, cartoons about him as well,
Exciting, full of humor, even shown on television.
So, after all these undeniable, incredible successes,
Small wonder that when he goes out for a walk,
The whole street, brimming with excitement,
Rushes out to take a look.
Children forget notebooks, windows open wide,
Branches bow over the fence,
Dense crowds gather like on Main Street.
Cars have to slow down,
Sidelong glances, catlike, dart out at him.
He's given flowers, bread and salt,
A few letters in an envelope,
And everyone calls out "ARPAGIC."
He moves forward giddily, full of himself,
Gives advice, listens to a sonorous complaint
(From a mother hen, against a tomat on the prowl),
Passes out smiles, pawshakes,
And a fine or two, or rather, admonitions.
And everyone is grateful and attentive,
And—you see it but you don't believe your eyes—
Even fighting among the riff-raff is suspended.
But, most incredibly of all, I'm told
A little mouse waiting to be glommed
By His Highness, squeaked meekly between sobs:
"What an honor for me, to be swallowed up by Him!"
In this amazing situation, I think it's only normal
That ARPAGIC no longer fit inside his coat
And think he is phenomenal.
So much so that I'm surprised, as a result,
He even answers when I call him
(Offering a poem, of course, in gratitude.)
Perhaps into his nature as a celebrity who reached the
very top,

Sometimes penetrates, with difficulty, as an erratum,
The recollection that I made him up.

[Translator's note: "arpagic" means "scallion."]

YUGOSLAVIA

Rally Organizer Solevic Interviewed by Public
28000033 Belgrade MLADOST in Serbo-Croatian
12 Sep 88 pp 14-17

[Article "Not To Worry, We Are Coming" about telephone question-and-answer period with Miroslav Solevic, rally organizer; date and place of telephone conversation not given]

[Text] Nenad Bogosavljevic, Belgrade: Why have the Slovenes and Croats been standing in the way of possible rallies in their jurisdictions?

[Solevic] I would put it differently. It is not the Slovenes or Croats who are standing in the way, but the Slovene and Croatian leadership. If the Slovenes and Croats were standing in the way, we would not be appealing to them, that is, to the people. It is precisely because the leadership is standing in the way that we are going to the people. We think that the people's desire to settle the Kosovo problem is far greater than that of their leadership.

Zoran Markovic: When will the responsibility of Dusan Ckrebic be established, since he has been a member of every leadership? He has never taken a position on Kosovo. Why do you use one yardstick with him and another one toward the other people who were in the top Serbian leadership at that time?

[Solevic] He has indeed taken a position, especially at the eighth meeting. Ckrebic does bear a part of the responsibility, a responsibility which, again I say probably, he has not been avoiding. But the essential thing is his position when the situation came to the critical point. We were also silent for a time. However, the official positions that were most powerful are well known. They were all held by Draza Markovic, Petar Stambolic, and Milos Minic.... Milos Minic was even the most harmful.

Pera Jovanovic, Belgrade: I think that in a way we are all financing the counterrevolution!

[Solevic] I have said that, too. Namely, I think that all the money from the Yugoslav Fund for the Underdeveloped has actually been used to break up Yugoslavia, not to develop Kosovo.

Jovanovic: The importing of books from Albania and the purchase of farms with money set aside for creating jobs and for factories represent an ugly policy.

[Solevic] I agree.

Dragutin Sahovic, Belgrade: Does it not seem to you that your emergence, and also the emergence of Slobodan Milosevic, signifies something quite different in this 40-year history of frustration which this suffering people has been living through? People are moving into the foreground who are free of certain old upheavals, people with new values who have a message, who have something new to say. Is this not the end of the faceless politicians whose only service to the people is that they did not build a factory that was a bad investment in their native region, who were constantly haranguing against Pan-Serbian chauvinism, and so on?

[Solevic] I think that this is a time for intelligent people, brave and able...you are entirely right. Kosovo Polje is Yugoslavia's pocket, a blind alley which has brought the trouble to the surface, although there are quite a few intelligent and brave people, intellectuals....

Glisic, Nis: How is it possible that Yugoslavia or Kosovo has agreed to take so many Albanian emigres, many of whom took part in the counterrevolution?

[Solevic] That occurred thanks to the erroneous policy of the Yugoslav, Serbian, and Kosovo leadership at the time.

Glisic: How is it possible for a man to flee here with 18 children, and yet we consider our border well guarded?

[Solevic] All of this was a policy of conspiracy against Yugoslavia.

Glisic: I would send them all back where they came from, and let them enjoy the blessings which they are advertising. Just imagine, 10,000 of them. That represents a great number of mouths to feed. I would like to ask Azem Vlasi who had any right to keep them in Kosovo?

[Solevic] It is a question whether there were only 10,000.

Mihailo Bozovic, Belgrade: I propose three things: First, that the Albanians who have fled to Yugoslavia since 6 April 1941 be returned to Albania with all their families and personal property....

[Solevic] I agree.

Bozovic: Second, that all the Serbs and Montenegrins who left Kosovo under a government decree, say, of the Assembly, go back to Kosovo, to their homes....

[Solevic] I agree with that, too.

Bozovic: Third, that the old name of Kosovo and Metohija be restored to Kosovo!

[Solevic] That is also our position.

Vasilije Djurovic, retired military man from Ljubljana: (Explained to Solevic that most probably the Serbs from Kosovo would not be well received in Ljubljana.)

[Solevic] We, on the contrary, anticipate a splendid reception. We shall see.

Anonymous reader from Sarajevo: Will you still go to Jajce even after the resolutions of the Bosnia-Herzegovina LC Central Committee and the other sociopolitical organizations?

[Solevic] We are coming for certain. We are going to read out the AVNOJ decisions at the place where they were drafted. We are not interested in the spirit of AVNOJ, since the spirit can be interpreted any way you like. We are interested in the original decisions.

Branko Nikolic, Novi Sad: I have a proposal and a desire to open a giro account for aid in organizing the rallies....

[Solevic] Thank you.

Anonymous reader from Banovici: Is it true that you are calling for single-nationality gatherings in Jajce?

[Solevic] In the conflict over Kosovo, there are forces which want to destroy Yugoslavia at any price and forces which are opposed to that. That is their fabrication and propaganda. We are going to Jajce where the Serbs, as we know perfectly well, are not in the majority, and we are demanding that a Muslim, Omer Karabegovic, talk to us. On what basis, then, can they say that we are going there to hold a rally of Serbs?

Same person: I joined the Partizans in 1941, I moved out of Kosovo, where I lived in Pec, and I recommend that you take advantage of the Law on the Press and force your way into the Bosnian newspapers and say that none of it is true.

[Solevic] We are not going to get involved in that, but the Bosnian press, when we go to Jajce, will have to correct all that.

Same person: You will have to do that if you want anyone at all to be there waiting for you....

[Solevic] Not to worry, I expect they read EKSPRES and POLITIKA there....

Same person: No, they don't, that is the problem.... These single-nationality gatherings should in general be avoided.

[Solevic] Just let them go on talking that way. Dogs bark, the wind carries it away....

A Pear Too Hard To Crack Is a Strange Fruit

Milan Trivunic, Sipovo: Do you know about the decision of the Bosnia-Herzegovina LC Central Committee banning rallies in Bosnia?

[Solevic] They would have to justify that in a constitution, or in some law....

Trivunic: In any case, a great number of people are waiting for you here.

[Solevic] It is the people we are coming to, not the Central Committee or the SAWP. After all, if that Bosnia-Herzegovina Central Committee and its representatives in the Federation had done what they should have about the Kosovo issue, we would not even have any discussion today.

Milutin Vranic, Kragujevac: Why have the politicians and journalists been mentioning the term *irredenta* every day?

[Solevic] Some have simply adopted that term, while others use it tendentiously. In any case, the right term is separatism, Pan-Albanian chauvinism, counterrevolution, the Ballists, fascism.... But they want us to be concerned with this. That term was deliberately inserted as a part of the policy of the anti-Serb and anti-Yugoslav lobby, especially from Kosovo and from Albania, and then from all over the world. So we have our terms and they have theirs.

Svetislav Paunovic: Why is the Bosnian leadership so afraid of a solidarity rally, justifying their fear in terms of a single-nationality gathering when the Serbs and the Muslims and the Croats are all under threat in Kosovo?

[Solevic] We have in fact been saying that the representatives of some of the nationalities at the federal level who, while they say they want to help us, do not want to do so as much as their people, regardless of whether we are talking about the Slovenes or the Macedonians.... So that now these people are making a political mistake, since they will come into conflict with their own constituency.

Dusko Zivkovic: Do the authorities take you seriously as an informal group?

[Solevic] Well, it seems that they do take us seriously when they discuss us in meetings of the central committees and their presidiums. But they could eliminate us quite simply...by restoring order in Kosovo.

Zivkovic: In what way?

[Solevic] By bringing Yugoslavia to Kosovo, by dissolving the Kosovo party, public security and state security, the judicial authorities, and by instituting Yugoslav

authorities that would cease to conduct an anti-Yugoslav policy such as the one now being effectively conducted by Azem Vlasi and Kolj Siroka.

A policeman from Belgrade: How could Fadilj Hodja have been a member of the SFRY State Presidency when he is not a Yugoslav citizen, and when will the Albanians themselves speak out?

[Solevic] Fadilj Hodja could be what he was thanks to the treason by a part of this country's leadership. Certain leaders of this country are traitors. But the Albanians will speak up—since there are many of them with a Yugoslav orientation—but when Yugoslavia imposes a Yugoslav policy in the province.

Same person: Why are people being condemned when they assemble with the blessing of the Socialist Alliance...?

[Solevic] If you are Azem Vlasi, and some Solevic comes along and shakes your seat of power, what would you do? So, that is what Vlasi is doing....

Anonymous from Belgrade: Is it true that you are related to Kacus Jasari?

[Solevic] It is true. Her grandmother is a Solevic.

Vera Djuranovic, Zavidovici: I am sorry that our power elite has prohibited your going to Bosnia!

[Solevic] But do you think that we are going to abide by that?

Vera: Good for you, since last night when I heard that, it really upset me.

[Solevic] That would be the same as if I asked you to do me some favor and you were silent, but your next-door neighbor answered me, although I had not said anything to her. Not to worry, we are coming....

Narcis Kustasovic, Trebinje: What do you think about the Bosnian decision?

[Solevic] I like the decision, but we are coming to Jajce.

Milan, Belgrade: Since in each republic they read their own respective newspapers, can you go, say, to DANAS and nicely explain to them what the real truth is so that everyone does not form his own public?

[Solevic] That is not how we will go about it. We are coming to the center of Zagreb with a circulation of 2,000 Serbs and Montenegrins, and then there will be another 100,000 people of Zagreb, and then they will have to write what happened. Is that not a better method?

Milan: But will those 100,000 people come out when they are constantly indoctrinated with articles like that?

[Solevic] Do you think that POBJEDA wrote anything better about us, but still all of Montenegro came out. The people is quite intelligent, but it has very unintelligent politicians. All of the rotten pears have to fall. The first rotten pear is Dusan Matic, and as soon as he falls, Bosko Kronic should jump on his own.

Milan: And what will we do with Vrhovec?

[Solevic] Well, as many as it takes. Why shouldn't he fall? We are going to go to Croatia so that that people see that he does not represent their authentic demands and desires, at least as far as Kosovo is concerned.

Vujica Mijovic, Titograd: Have you personally had unpleasantness with separatists?

[Solevic] Not the slightest, since now if a truck ran over me by mistake, no one would believe that Azem Vlasi and Kolj Siroka had not arranged it.

Nedeljko Vasovic, Banjica: Are you aware of the activity of agents provocateurs at the rallies, and what do you do to identify them?

[Solevic] We do not have an "internal" police that would be specifically concerned with that, but, as I have said, we are trying to avoid that by limiting the number of speakers and having a set list. If someone like that wants to speak out of the crowd—he speaks in his own name, but if he speaks from the rostrum, then he speaks in the name of all of us. There is no other way we can do it....

Miljenko Sivic, Modrica: You often mention the honorable Albanians. Can you enumerate at least 10 such?

[Solevic] I could name a thousand. Although I would not divide them into honorable and dishonorable, since that division is also a part of the deception practiced by the separatists. In Kosovo, there are people with a Yugoslav orientation and people with an anti-Yugoslav orientation in far greater numbers. However, at present it is dangerous for them to say that publicly.

Violence Is Not Precluded

Milivoj Kovacevic, Belgrade: Why don't you persuade at least some of the honorable Albanians to come to the rally in order to shatter that counterargument about single-nationality gatherings?

[Solevic] First, there are Albanians at our gatherings. Not many, but they are there. Always and at every meeting. Second, as a rule they stand in the back rows, so that they are invisible to the camera. This is all out of a fear of public declaration. Third, since Toma Sekulic's interview in POLITIKA more than 50 Albanians have come and congratulated him, but not one of them dared to sit

down and write a letter to POLITIKA and to say that he agreed with all that. He would be ground up in the mill of Pan-Albanian separatism.

Milomir Cvetkovic, Belgrade: Would it help to resolve the Kosovo problem if the Albanian emigres went back where they came from?

[Solevic] Certainly, but only as one of several interrelated steps.

Mitar Maric, Belgrade: Would it not be a good thing for the SFRY State Presidency to form police detachments from all six republics that would replace the village guards?

[Solevic] The solution is not to replace the guards from village to village, but to protect man from man. There has to be general protection for everyone down there.

Zeljko from Zagreb: You have mentioned the possibility of a military administration in Kosovo?

[Solevic] Never. But I think that whoever institutes military administration must know what will follow it, since it is always temporary. Even if it lasts 5 years, what then?

Milos Tomic, Sarajevo: What is the essence of the assertion that your committee is illegal and outside the system?

[Solevic] It is not illegal, since it is operating publicly, and it is part of the system, since it was created in association with the SAWP in conformity with the Constitution.

Tomic: Can the Serbian and Montenegrin people in Kosovo be in the system without being outvoted by the majority?

[Solevic] All of our demands are aimed at avoiding dominance by the majority at all levels of decisionmaking in the province and also of provincial representatives at the level of the republic or the Federation.

Jovan Vukmirovic, Titograd: Why do you hide the fact that you are a Montenegrin?

[Solevic] I have never concealed the fact that I am a Montenegrin by descent, but if my grandfather, who at the age of 6, in 1878, moved to Kosovo, called himself a Serb—why would I say that I am a Montenegrin?

Vukmirovic: In Titograd, why did you dictate when people should whistle and when they should clap?

[Solevic] I did not dictate either one. If I did, then that was spontaneous. But did they applaud me, yes, they did!

Vukmirovic: Why are there more and more Chetnik slogans at protest rallies?

[Solevic] You would have to say at least what some of these Chetnik slogans are if we are to argue. I admit the possibility, but....

Milivoje Kovacevic, Belgrade: Why do you allow individuals to damage the entire meeting with their unsuitable behavior and make it possible for others to discredit the entire rally?

[Solevic] The reason for forming the committee was so that such individuals would not be able to have an impact. That is precisely why the committee insists on a set list of speakers, so that no one like that would discredit the meeting.

Nebojsa Jevric, Kursumlija: Do you know Slobodan Milosevic and are you in contact with him?

[Solevic] I am not in contact, but I once talked with him as part of a group of people from Kosovo at his invitation.

[Question] What about the news in POLITIKA that a man saw an agent provocateur?

[Solevic] There have been agents provocateurs. In Novi Sad, for instance, security forces infiltrated two men. One of them we slapped around a bit, and he later fled, and we saw him standing with the police. This was later explained in detail by a reader of POLITIKA, since he knew who the man was. The other attempted to represent himself as a university student, but he was too old to be a student....

[Question] So, in the end you do have your own people responsible for 'security matters'?

[Solevic] Actually, we don't. At the rallies, we in principle stand in groups. Those from Metohija, for example, they all know one another. The same with the people from Gnjilane. And also those of us from Kosovo Polje. When someone we do not know comes in, we react. We quickly find out who he is and what he is, and if we sense that he is an agent provocateur, some blows might be struck.

[Question] Does that mean that there are no contacts with the Serbian leadership?

[Solevic] No, except with the working group for Kosovo, which is in contact with me as it is with all the others.

[Question] What is the attitude toward the committee? Do they treat you as an official body?

[Solevic] Their position is the same as these others. They cannot treat us as an official body, but by the very fact that on the eve of the 16th meeting they came to talk to the committee in order to stop the trip to Belgrade, they showed that we are some kind of political factor.

[Question] How do you evaluate the membership of the working group?

[Solevic] There are people in it to whom we have objections. For example, there is General Djordjevic, and then Nandor Major, who represents Vucitrn.... I personally know only those who have come to Kosovo Polje.... There are still objections, but I do not have all their names at this point.... It is interesting that in these working groups their position improves more and more the longer they deal with Kosovo and the longer they spend in Kosovo. At the beginning, they take a rather firm position, since the anti-Yugoslav propaganda is terribly strong, especially in DANAS, VJESNIK, thanks to Comrade Nadira Vlasi....

[Question] What is your attitude toward the resolutions of the 16th Meeting of the LCY Central Committee on stopping the rallies, especially as a member of the LCY?

[Solevic] I do not see anything in that resolution that applies to us. Those resolutions contain a large number of positions, and if they do not stick by all the others, why would they stick by this particular one?

Mladen Medjedovic, New Belgrade: Who is it that has been giving property to the Albanian emigres in Kosovo and yet at the same time has not been dealing with the basic problems of Yugoslav citizens?

[Solevic] Kosovo's leading officeholders since 1981, and some of them even today, are from Albania. Kolj Siroka, for example, and another dozen of them.... By what logic would such a leadership prevent other emigres from coming?

[Question] What do you think about Dobrivoje Vidic, who is now a member of the working group to ascertain responsibility...?

[Solevic] He must also bear some of the responsibility, but far less than the three I have already mentioned.

We Are Not Worrying About the Central Committees

Jovan Vukmirovic, Titograd: How did you arrive at the date for holding the rally in Niksic, and were the consequences deliberate?

[Solevic] It was only happenstance that on the day announced for the rally there was a soccer match between Sutjeska and Pristina and it was also Niksic Liberation Day. However, for us that is not the essential thing. We were invited by the citizens of Niksic to the rally in Titograd. When I stood on a chair and spoke, the

crowd asked how they could invite us to go to Niksic. I said it would be enough to chant "Come to Nik-sic." Then the crowd did chant it, and that was a sufficient invitation. At the same time, we are completely aware that there could be an incident, but we and the official authorities in Niksic will do everything to prevent such a situation.

[Question] What do you think, how many of the people at those gatherings who favor constitutional amendments have read or even seen the Constitution?

[Solevic] Most of them have seen the Constitution published as a little book, but few have read it. Essentially, they are familiar with the 1974 Constitution.

[Question] Who interpreted the Constitution for them?

[Solevic] The most important interpretations of the Constitution are taken from the press, the comments on various articles of the Constitution are sufficient for the ordinary man to draw his conclusions. However, we have never said that the 1974 Constitution caused the counterrevolution, but that its arrangements made counterrevolution possible. Nor do we think that the solutions being proposed by SR Serbia as part of the constitutional amendments would automatically abolish the counterrevolution, but it would make it possible for the state of Serbia to finally crush the counterrevolution. That is an essential difference from what is being imputed to us.

[Question] In other words you say that most people at the meetings are familiar with the gist of the constitutional amendments?

[Solevic] As for the arrangements proposed, they all know them by heart, but as for the Constitution we have had up to now—that is something else.

[Question] Do mainly the same people go to the meetings?

[Solevic] A certain nucleus always goes.

[Question] How large is that nucleus?

[Solevic] Between 3,000 and 5,000 people.

[Question] About how many people from Kosovo take part in the meetings?

[Solevic] It depends on the distance. If they are coming to a rally in Skopje, I would say that 10,000 people would come from Kosovo, but if it is in Maribor, there will be 150. That is all primarily because of financial considerations.

[Question] Who does the financing?

[Solevic] Even those who are poorest furnish their own financing by selling off their livestock. No one has ever received a single dinar in any other way. Otherwise, many more of them would go to meetings.

[Question] Has anyone offered money?

[Solevic] It is being offered by everyone. Both by individuals and.... Our well-known holder of the 1941 Commemorative Medal, the messenger Macanovic, even requested and proposed establishment of a fund in public. And we will have to do something about that.

[Question] Has anyone in the Serbian leadership offered you financial assistance?

[Solevic] No, no, no one from any official body, much less the Serbian leadership. The official authorities have never offered us a dinar.

[Question] Has thought been given to the possible demagoguery of the Serbian leadership? Slobodan Milosevic, for example, began his party career with the "trial of the six," when that same right to assemble guaranteed by the Constitution, used even by the party, was described in just the opposite terms. Later, the trial itself "collapsed." One of the main arguments of the epilogue of the eighth meeting in terms of personnel was the failure to adhere to democratic centralism. Now democratic centralism is considered invalid, since you yourself say that you will meet regardless of the opinion of the LCY Central Committee. Hardly anyone who disagreed with the positions of the eighth meeting and said so publicly has failed to pay the consequences, and now opposition to the positions of the LCY Central Committee is considered as the democratic right to hold one's own opinion.

[Solevic] In the meetings, we have never opposed expression of individual opinion. We merely want to prevent individuals from using their opinion to discredit the entire meeting. In my opinion, no one has suffered because he said something at the eighth meeting, but rather because after the eighth meeting he did not act in accord with the positions of the majority.

[Question] And the fact that the LCY Central Committee has an opinion which is not being respected by that leadership?

[Solevic] What leadership?

[Question] The Serbian leadership.

[Solevic] What opinion is not being respected?

[Question] For instance, that meetings are not a way to resolve disputes and they should be stopped.

[Solevic] We have never said that that was a way to resolve things, but we think it is a way in which the leadership can be forced to behave responsibly.

[Question] The essential thing is not what you think, but, for instance, the Serbian LC Central Committee.

[Solevic] You will have to ask someone from the Serbian Central Committee.

[Question] That is exactly why we asked whether you have been thinking about the possibility of demagogy?

[Solevic] No. Nor are we concerned with the question of what the Serbian Central Committee is doing in that connection, nor are we worried. If the Serbian Central Committee prohibited us from holding an assembly, we would be just as worried as we are about the ban imposed by those in Bosnia.

[Question] To what extent does Slobodan Milosevic depend on your support and to what extent do you depend on his?

[Solevic] The events in Kosovo have only speeded up his coming to the forefront. But he is such a strong individual, able and intelligent, for this moment and this time, that other events would certainly have brought him to the forefront.

[Question] Is he reproached in Kosovo for not having appeared there on 26 April 1987?

[Solevic] No. Nor would we invite him now. We do not think it would be good at all for him to come until the situation is cleared up. But if he were to come to Kosovo, there are 200,000 Serbs, but 250,000 would go out to meet him. There is no mystery here, 50,000 would come from elsewhere. We from Kosovo see him as practically the only hope of getting out of this situation. I do not think that there are 100 Serbs in all of Kosovo who do not believe that.

[Question] What if nothing happens in Kosovo over a period of, say, a year? How much credit does he have?

[Solevic] I would remind you of what Zagreb broadcast.... Literally this: Zoran Andjeljkovic, do you have children? He said that he did. I swear by your children and you can take it back to Slobodan Milosevic, he will either make Serbia a state from Dragas to Horgos or we from Kosovo will put him on trial. That is also my position.

Close Collaborators in the Shade

[Question] In what time frame?

[Solevic] Time is a relative thing. That factor of demagogy could also figure in the time. After all, at this point we also have become involved in some kind of struggle. If we just waited for the Serbian Central Committee to work it out for us, we would not fight on our own. Now that we have become involved in the struggle, if we fail, some of the responsibility will also fall on us. I do not

mean to defend Milosevic, but objectively that is the way it is. And our group of 50 or so who have led the people and the masses, not just in Serbia, have in that case also failed and taken part in that demagogy....

[Question] Are you a leader or not?

[Solevic] I certainly am among the five or six most influential Serbs in Kosovo. If we 50 had the influence on Serbs in Serbia that we have in Kosovo, we would come here and dictate the terms...and they would be met without fail.

[Question] Is there a scenario for a mass exodus?

[Solevic] There is no scenario, but the logistics have been worked out. First, we would suspend classes in elementary and secondary schools and at the universities, then we would shut down workplaces, and then we would form up in a column. It does not matter where we started from, but it is certain that everyone would take part. Even those who are most timid would be the first. They would be afraid of trouble along the way and would not want to be left to live in a larger Albania. Then I would like to see the politician who sits up there in the Federation and calmly waits for something nice to happen to him.

[Question] And where would you head for?

[Solevic] For Serbia, for Belgrade.

[Question] And do you know how new arrivals from Kosovo are greeted?

[Solevic] I know how they have been greeted, and I know how they are greeted now. With the mobilization of the masses which we have accomplished—since coming to Novi Sad we have an altogether different status. The attitude toward these people of ours has changed.

[Question] Explain the paradox between the slogan 'We give our lives, we do not give up Kosov,' and the announcement of a collective exodus.

[Solevic] This indicates that we are not all thinking with one head and that we do not have a single unanimous position. Some people favor an exodus, and it would be irreversible, others want to use the exodus as a threat in order to stay, and still others think that we should move out quietly, since all is lost in any case, and a fourth group thinks that under conditions like this we should not make waves with the Serbs and we should wait for a better time that perhaps will come.... The strongest current, which is the one I am in, feels that in all four of these cases we have to defend ourselves by national collectivity.

[Question] Since Tito's death, the general policy between the republics and provinces has been based on consensus. To what extent do your demands tie the hands of the Serbian leadership and Slobodan Milosevic, who has been hemmed in and made inflexible, *de facto*?

[Solevic] When Tito died, Deng Xiaoping said on that occasion—a large oak casts a broad shadow. When the oak is cut down, there is no longer any shade. Now we clearly see who all the people were in that shade and how they enjoyed it and who all the "close collaborators of Comrade Tito" were. Tito came to go hunting in Karadjordjevo, Dule Matic came and opened the door for him, and now he is a close collaborator of Comrade Tito. These are funny things. And now these incompetents are neither able to move into any other shade, nor can they set up a new oak tree...but they simply are frying in the sun, not knowing what to do. Quite a few of them would flee, but they do not know where to go, just so they could evade responsibility. It is a question of the inability to lead this country.

We Will Not Make the First Move

[Question] By definition you are not interested in the Yugoslav crisis as such, you are only concerned with the crisis of Kosovo. However, the changes in personnel which you are demanding will have much broader repercussions. Will the personnel structure which you are demanding be capable of resolving certain other problems as well, not only those of Kosovo?

[Solevic] Our solutions as to personnel and proposals go to the level of the republic. We do not meddle with the Federation, we know only the ones we do not want. We are against anyone who comes forward with positions which hinder our cause. We cannot, for example, tell the Slovenes whom to put in the federal leadership. That is the business of the Slovenian people and Slovenian party members. But we go to the Slovenian people so that in choosing those leaders the people will be mindful of whom they are sending. The rest is their concern. Nor would we want the Serbs and Montenegrins in Kosovo to be represented by someone chosen to suit someone in Slovenia.

[Question] Have you perhaps noticed attempts by the Serbian leadership to manipulate or abuse your cause, but to which you did not react, since it suited you at the moment?

[Solevic] I have not personally observed anything of the kind.

[Question] There are about 1.5 million Albanians in Kosovo. In Serbia, there are about 9 million people. Don't you think that it would be defective democracy along the lines of the constitutional amendments and also the changes in personnel if the Albanian population were automatically bypassed, on the basis of a *de facto* logic? The present Serbian leadership, that is, judging by the lack of support from Albanians, does not represent their interests.

[Solevic] That is not accurate.

[Question] They have not been complaining about the Kosovo leadership, which means that it is fine for them?

[Solevic] The Serbian leadership is demanding that everyone live on an equal footing in the state of Serbia. It does not matter who you are or what you are. But the present leadership of the province does not express the position of the Albanian people.

[Question] You and I say that, but that is not what the Albanians say.

[Solevic] That is a group of privileged intellectuals who are milking Yugoslavia, who are working against Yugoslavia, a large number of whom have bought houses in Turkey just in case. If Yugoslavia and Albania and Turkey all collapse, they would have connections in Brussels.... You do not realize that. This leadership is hiding behind the Albanian people and threatening it—if Milosevic comes to power, he will be another Rankovic, and so on.

[Question] So, the Kosovo leadership is not the legitimate representative of the Albanian people, the Vojvodina leadership is not the legitimate representative of the Vojvodina people. On what basis is it guaranteed that the Serbian leadership will be the legal representative of both of them?

[Solevic] Who guarantees you that Bosko Kronic is more interested in the rights, say, of the Hungarians than Slobodan Milosevic? On what basis did you draw that conclusion?

[Question] That is not the problem. Incidentally, they say exactly the same thing about the Hungarians, and Kronic has nothing against the Serbs in Kosovo. He is holding on to his official position in Vojvodina.

[Solevic] The Vojvodina leadership is constantly saying that it has 27 nationalities, even if they have 127, let them forget about it. That is a nationalistic argument. What do they mean by that? Serbia must in all the documents and in every way guarantee the equality of all nationalities over its entire territory. On what basis is Bosko Kronic the representative of Vojvodina? Why should I not represent all the nationalities and all of Vojvodina tomorrow? On what basis does he find that we want Vojvodina to be unequal? We are saying that Bosko Kronic is standing in the way of forming a Serbian state in which all will be equal, and that is why we are demanding his removal. Tomorrow I will be the first to oppose Milosevic if, say, he should give the Ruthenians unequal treatment.

Why should I like Milosevic better than Draza Markovic? The latter was a good man, he liked to eat and drink, he liked the women, he would be better company than

Milosevic. As a matter of fact, I could not spend time with Milosevic, since he smokes a lot, those thick cigarettes, and I do not smoke. But the interests of Yugoslavia are at issue.

[Question] Does the committee have a position toward "Emperor Lazar and his relics"? [Refers to Serbian ruler who lost the Battle of Kosovo in 1399 and whose remains have been displayed recently at various Serbian localities]

[Solevic] The committee will be seriously concerned with that and will be consulting with scientific circles.

[Question] How about Kosovo over the next 6 months?

[Solevic] I expect things to work out.

[Question] Is it possible that they will work out through an armed conflict?

[Solevic] There is still a chance that that will not happen. The slogan "Give us weapons" is not a demand, but an extreme necessity. We still trust in the democratic public and patriotic spirit. But the state of Yugoslavia has enough troops down there to restore order with minimum casualties and to protect me and all the rest. Regardless of what anyone thinks, Yugoslavia is quite able to do that, and it could be done in 10 minutes. We will neither be agents provocateurs nor challengers, nor will we make the first move.

[Question] Since the last meeting, is Yugoslavia closer to Kosovo or further away?

[Solevic] Much closer. It is clearer to people what we are asking and why we are fighting.

GERMAN DEMOCRATIC REPUBLIC

New Naval Resupply Ship Described

23000060 East Berlin MILITAERTECHNIK in
German No 6, 1988 p 280

[Article by Commander R. Evert: "Military Technology Presents: Darss Model Oceangoing Resupply Ship"]

[Text] In order to live up to the demands of rear maintenance and special technology for the combat units of the People's Navy in or as near as possible to operative areas, the GDR shipbuilding industry has been building a new generation of maintenance ships since the early 1980's. The VEB Shipyard Neptun, Rostock, was entrusted with the planning and construction of the oceangoing resupply ship. The keel of the prototype ship was laid on 14 December 1981, and it was launched on 27 February 1982 and put into service on 27 January 1983.

1. Description of the Ship

The Darss model oceangoing resupply ships are motor freight vessels with diesel engine units and adjustable pitch propellers. The hull has two decks, a short forecastle, a bulbous bow and a transom stern. The engine room and crew quarters are located aft. The ship has two holds for general cargo and containers, as well as additional loading tanks. Both holds have central hatchways in the main and between decks. Located between the holds is the 8-ton hydraulic 2 Hy SWK 8 deck crane from VEB Klement Gottwald, Schwerin. The engine is a Soviet 12-cylinder two-stroke diesel engine, model 40 DM. This drives the four-blade adjustable pitch propeller, which is positioned in a fixed Kort vent. Behind the Kort vent is the Jaenkel rudder system.

Four diesel generator units provide energy. Each unit has the 6 VD 18/15 engine, which provides an output of 147 kW. A DGS 0.4-model auxiliary steam boiler provides steam for the heating and sanitation facilities. There is extensive fire-extinguishing equipment, including a gas-fire extinguishing unit, as well as high-power bilge pumps. Protection against enemy weapons of mass destruction is provided by hermetically sealed rooms with special ventilators, the water-protection system for the entire upper deck and the EEA 200 deactivation and detoxification system.

In order to safeguard diving operations, the ship has a diving platform. Modern navigational, radar and radio systems complement the equipment on board. Three 25-mm twin gun carriages can be mounted on the upper deck for self-defense.

Table 1. Tactical-Technical Data on the Darss Model Oceangoing Resupply Ship

Displacement, full	2,292 t
Tonnage	950 t
Gross volume	800 GRT

Table 1. Tactical-Technical Data on the Darss Model Oceangoing Resupply Ship

Displacement, full	2,292 t
Hold volume for general cargo	1,350 m ³
Overall length	76.52 m
Overall width	12.37 m
Draft	4.15 m
Drive unit	
Diesel engine	1
Model	40 DM
Output	1,470 kW
Speed	12 knots
Cruising range	1,000 nautical miles
Equipment length	14 d
Crew	16 men
Weaponry	
Type	Twin gun carriage
Number	3
Caliber	25 mm

2. Potential Applications

The ship is designed for an unlimited range in accordance with the regulations of the GDR DSRK [German Maritime Review and Classification] (except tropical regions). Within the People's Navy, the oceangoing resupply ship is used in the "unlimited range" area. It can handle icy waters up to the DSRK KM Ice 2 class.

The ship has a variety of potential applications in terms of supplying the vessels of the People's Navy. It is primarily intended for the transport of general cargo, containers and liquid cargo loads. The types of containers that can be transported are 10- and 20-inch ISO containers, 15- and 20-inch shop containers and refrigerated and special containers. They are stowed both in the holds and on deck. The liquid cargo is transported in special tanks. This cargo includes diesel fuel, lubricating oil, hydraulic fluids, drinking water, boiler feed water, and cooling water.

The technical outfitting of the ship makes it possible to take on supply goods and unload empties without outside assistance while in port and to transfer loads to other ships and accept goods while at sea. Furthermore, the ship is also used for waste management at sea. The deck crane is positioned in such a way that all hatches and container berths are passable. Using the crane, practically all types of maritime military goods can be transferred to combat vessels even in rough seas, thanks to the wave-tracking device.

Three different applications are possible for supplying liquid cargo at sea: transfer alongside, transfer abeam and transfer astern (in tow with an automatic mooring gear or free floating). Transfer is possible while at anchor, while braked or while in motion.

3. Practical Experience

In use thus far, the Darss model oceangoing resupply ship has satisfied all demands placed on it. It has proven itself in many high points of maritime training, including maintenance of the People's Navy's Wilhelm Pieck training ship during its foreign voyages.

Particularly notable are its good handling in rough seas and its outstanding maneuverability.

The working and living conditions for the crew are in keeping with the modern standard on GDR ships. Accommodating additional manpower is possible to a certain extent.

The transfer/acceptance of liquid cargo using the abeam and astern variations constitutes an ambitious nautical maneuver, requiring a high level of training. For this reason, these types of maneuvers must be trained for on a regular basis.

INTRABLOC

Grain Imports Necessary To Offset CEMA Shortage

23000066 Vienna KURIER in German 5 Dec 88 p 7

[Article by Diplomat Engineer Zdenek Lukas under the "In the Limelight" rubric: "World Market Prices Rising: RGW: Expensive Grain Imports"; first paragraph is biographical sketch]

[Text] Diplomat Engineer Zdenek Lukas is an agrarian expert at the Vienna Institute for International Economic Comparisons, and, in a study, he investigated the development of agriculture in the CEMA area and the dependency upon Western grain imports.

The entire grain production in the CEMA area (Soviet Union and Eastern Europe) declined about 5 percent in 1988 to less than 300 million tons. Because of the rising grain prices in the world market, however, the grain imports of the CEMA countries will remain at the level of the previous year.

In the Soviet Union, the grain harvest will decline by about 5 percent to about 200 million tons. Nevertheless, this yield exceeds the average annual result for the period 1981-1985 by 20 million tons.

In the region of the Danube (Bulgaria, Romania, and Hungary), corn in particular suffered heavy losses because of the drought in the early summer; but the reduced production could largely be made up for through a very good wheat harvest. Hungary reported a record wheat harvest, and overall one can expect the total grain harvest to be approximately as good as last year's (14.2 million tons).

Since the share of corn in Bulgaria's total grain production (about one-third) is less than in the other Danube countries, the reduced corn harvest will have a less negative impact on the total grain production there. The "good grain harvest" expected there at mid-year could therefore amount to 7-8 million tons. True, it is at last year's level, but is far below the result for 1982—10.2 million tons.

Romania does not publish any information permitting a reliable estimate of the grain harvest. The "repeated record grain harvest of the previous year" tentatively reported is no more believable than the results of the years 1986 (30.0 million tons) and 1987 (31.7 million tons) that supposedly increased by leaps and bounds in comparison with the period 1981-85 (21.7 million tons annually). The Romanian "grain miracle" was achieved without a corresponding increase in inputs but with a further worsening of the already catastrophic situation in the supplying of the population with foodstuffs and with no increase in exports.

In contrast to the situation in other East European countries, the winter grain in the GDR was heavily damaged by late freezes. Together with the subsequent early summer drought and the shortage of special fertilizers and plant protective agents, the application of which could have reduced the negative weather influences, this factor was reflected in a substantial (more than 10 percent) decline in the total grain production (to 10 million tons). In Poland, the winter grain was not substantially damaged, despite late freezes. A decline of 3 percent, to 23.3 million tons, was reported for total grain production, which is still to be evaluated as a satisfactory result. In the CSSR, April and May were extraordinarily hot, and the first grain forecasts indicated a decline. It was possible, however, to compensate somewhat for the influence of the unfavorable weather through the increased use of inputs (such as irrigation, fertilizer, plant protective agents). The plan (11.5 million tons) was even moderately surpassed (11.8 million tons).

The catastrophic drought in the United States and Canada in the summer of this year resulted in a more than 30-percent lower harvest compared with 1987 for these world-leading grain producers and exporters. For this reason, there has been an acceleration of the increase in grain prices in the world's most important grain markets—Chicago and Winnipeg—observed as early as last year.

This price trend worsened the conditions for the importing CEMA countries (especially the Soviet Union, the GDR, and Poland) that in 1988 would have to pay substantially more hard currency for the same quantity of grain as in 1987 (net import of 35 million tons). Especially in the case of the Soviet Union, which in the last 2 years imported about 30 million tons of grain annually for about \$3 billion, this represented a serious problem (taking into account the declining receipts from oil exports). It is therefore to be expected that the overall decline in the grain production in the CEMA region (about 5 percent) will probably not lead to a substantial increase in grain imports.

Only Hungary, the only CEMA country that is still a net grain exporter, will profit from a price increase for grain. Because of the record wheat harvest, it is to be expected that Hungary's wheat exports will increase to about 2 million tons.

BULGARIA

Soviet-Bulgarian Research, Production Cooperation Detailed

23000054 East Berlin AUSSENWIRTSCHAFT in German Vol 16 No 46, 16 Nov 88 pp 1-2

[Text] The consolidation of economic integration between the USSR and the People's Republic of Bulgaria is characterized by an activation of relations in production, trade, science, and technology, as well as the development of new forms of cooperation.

In the view of both countries, the fulfillment of the Long-Term Program of Economic and Scientific-Technical Cooperation of the People's Republic of Bulgaria and the USSR by the year 2000 (see AUSSENWIRTSCHAFT No 31, 31 July 85) and of the Complex Program of Scientific-Technical Progress of the member states of CEMA by the year 2000, together with the experiences gathered from these programs, require an increase in the effectiveness of their cooperation with respect to intensifying production and accelerating socioeconomic development. The focal point of cooperation here should be shifted to the rapid utilization of advanced scientific-technical results, to increasing the quality of supplied goods and to making the economy more efficient and more modern, in conjunction with a further refinement of the structure of foreign trade.

In addition to coordination of the economic strategies of the two countries, harmonizing the scientific-technical development plans of the branches and production units of the economy is gaining importance. This is intended to be guaranteed primarily through the establishment of direct relations and the creation of joint organizations. The consolidation of the division of labor and cooperation in mechanical engineering is viewed here as being the top-priority task. More attention should be devoted to creating fundamentally new techniques, technologies, and materials. By directly involving the economic organizations in foreign trade activities, the enterprises in both countries are to an increasing extent becoming direct participants in the integration process. This process is advanced by a government agreement on developing direct production and scientific-technical cooperative ties between associations, enterprises, and organizations and by a government agreement on the establishment of joint ventures, international associations, and organizations.

The development of new forms of cooperation is supported by a 1987 "Agreement on the Structure of Payment Transactions and Accounting for Bulgarian and Soviet Economic Organizations Linked by Cooperative Arrangements and Scientific-Technical Relations." This agreement represents an expansion of the existing system of multilateral payments in transferable rubles, making it possible to use the national currencies of the two countries as well.

Soviet-Bulgarian foreign trade has undergone stable development in recent years. During the 1981-85 5-year plan, the exchange of goods and services amounted to 51.8 billion rubles. For 1988, it will come to more than 13 billion rubles (1986-90 plan: 70 billion). In terms of total Soviet foreign trade volume, Bulgaria is thus in third place, with a 9 percent share. Conversely, the USSR was the main trading partner of the People's Republic of Bulgaria in 1987, with 59.3 percent of the total turnover.

Metal-Processing Industry Has Significant Role in Cooperation

Bulgarian exports are dominated by machines, equipment and means of transportation (1987: 55.9 percent of

total exports to the USSR). Bulgaria supplies mainly machine tools, hoisting equipment, agricultural machinery, electrotechnology and electronics products, and ship equipment. Machines, equipment, and means of transportation accounted for around 23 percent of the total imports by the People's Republic of Bulgaria from the USSR in 1987. The USSR supplies installations, metal-processing machines (high-performance machine tools and metal-forming equipment), materials-handling technology, agricultural equipment, motor vehicles, tractors, and road-engineering machinery. Bulgaria is the biggest buyer of metal-processing products from the USSR. Around one-third is for complete systems. During the current 5-year plan, Soviet equipment is being imported for 115 industrial enterprises and other Bulgarian projects.

Both sides regard the further consolidation of the intra-branch division of labor as a primary reserve for growth in the reciprocal exchange of goods. It is intended that specialization and cooperation be developed to an increasing extent in the production of industrial robots, flexible automated production systems, assembly lines for mechanical engineering and in the manufacture of motor vehicles. In the view of both countries, there are further prospects for cooperation in the establishment of scientifically intensive and technologically high-grade products in microelectronics, computer technology, and robotics.

Bulgaria will be exporting to the USSR mainly specialized products from the sectors of electrotechnology/electronics, hoisting and agricultural machinery, food and luxury-item equipment, and special equipment for light industry. Specialized products should account for more than 40 percent of total Bulgarian exports to the USSR in 1990 and more than 70 percent of machinery and equipment exports. The percentage of mechanical engineering products within total Soviet exports to Bulgaria should double by 1990.

The application of new forms of cooperation should provide significant incentives for an accelerated development and more effective structuring of economic relations. In the area of mechanical engineering alone, there were 13 international associations and direct relations between 56 enterprises at the end of 1987. The international associations address problems of coordination and cooperation on the basis of state ownership through drawing up plans for developing production and scientific-technical relations. In this way, it has become possible to form joint working groups and to combine the participants' financial resources for selected research and construction tasks.

The first two Bulgarian-Soviet research and production associations have been in existence in machine tool manufacture since 1985: "ZMM-Ivanovo" an association for processing centers, flexible production modules and systems, and "Krasny Proletari-Beroe" for numerically controlled lathes, flexible production modules, industrial robots, and manipulators. As an example of

the arrangement, the members of the latter association instituted production cooperation on the basis of direct relations and formed a separate foreign trade firm. There are plans to increase the establishment of processing centers at the association's plants during the current 5-year plan to 2.7 times the 1985 level.

Another international research and production association has been established in the area of electronics. This association, called "SELTO," is oriented towards the efficient use of the economic and production potential, joint production and a uniform approach to external markets. Its members are Soviet and Bulgarian research and production institutions and two firms from the capitalist world. The goal of cooperation is the development and construction of special, high-precision technical equipment. It is intended that products with a total value of 8 million rubles be produced in 1988, including boring and milling machines with linear motors, coordinate tables, laser systems, and other specialized equipment. With the startup of machine tool assembly at the Bulgarian members of the association, this value should rise to 50 million rubles in 1989. A volume of 800 million rubles is envisaged for the year 2000.

"Avtoelektronika," in Plovdiv, is the first joint venture by the two countries that has already started up production. The financial resources of 60 million rubles for creating the enterprise and guaranteeing its operations as stipulated in the charter were provided in equal shares by the participants, the Kaluga motor vehicle and electromotor equipment plant and the Plovdiv electric equipment plant. The enterprise functions according to the principle of economic accounting and self-financing in keeping with Bulgarian law. Deliveries are made on a barter basis and are essentially intended to cover the needs of the Soviet motor vehicle industry. Bulgaria delivers to the USSR electronic products and control, measurement, and diagnostics equipment for motor vehicles and receives from its Soviet partner several types of electronic components and materials for their production, as well as products from the automobile industry, including passenger vehicles (1987: approximately 40,000 units). The 1988 plan provides for a delivery volume of 25,000 electronic control units.

According to Soviet press reports, reciprocal deliveries within the framework of the new forms of cooperation amount to 200 million rubles, which means a little more than 1.5 percent of the total Soviet-Bulgarian turnover of goods.

The development and expansion of direct relations and of new forms of cooperation is being advanced by the Bulgarian-Soviet Chamber of Industry and Commerce, founded in September 1988. The primary goal of the Chamber is to promote specialization and cooperation in the areas of mechanical engineering, electrotechnology, the chemical and biochemical industries, agriculture, construction, light industry, and the food industry. Both sides expect that the new institution can be used to

overcome previous difficulties in realizing direct relations. Its primary role is to help satisfy the participating enterprises' need for information on their partners' business and technical potential, as well as to help clarify questions concerning foreign exchange, financing and pricing. Thus far, around 200 Bulgarian and Soviet enterprises have shown interest in working with the Chamber.

Cooperation between the two countries in the area of fuels, raw materials and energy plays an important role. This sector accounts for more than 60 percent of Soviet exports. All of the natural gas imported by Bulgaria, 80 percent of the imported electrical energy and more than 90 percent of the coal, iron ore, steel, and cellulose comes from the USSR. From 1986 to 1991, the People's Republic of Bulgaria is involved in construction and assembly projects in the USSR valued at 600 million rubles, including the exploitation of gas reserves in Kingisepp. In 1987, Bulgaria supplied the USSR with more than 120,000 tons of large-diameter piping. A government agreement on Bulgarian participation in the establishment of the Krivoy Rog ore processing combine was signed in 1988. In order to fulfill this long-term agreement, Bulgaria will receive ferruginous raw materials from that site, while the USSR in turn guarantees Bulgaria technical support in the reconstruction and readying of new production capacities in the energy and fuel sector and in the metallurgical and chemicals industries. The most important beneficiaries here are: the nuclear power plants in Koslodui (third stage of expansion) and in Belene, the reconstruction of the chemicals combine in Dimitrovgrad and the "Asarel" and "Grancharitsa" ore-processing combines. Furthermore, an association was formed between the combine for heavy machinery construction in Radomir and the Novokromatorsk mechanical engineering plant with respect to organizing, on the basis of the division of labor, the production of equipment for the metallurgical and cement industry, mining and other sectors. In February 1988, in the area of biotechnology, an agreement on the establishment of a joint scientific production association, "Biotekhmarsh," headquartered in Moscow, was signed. The participants (the "Biotekhinvest" economic association in Plovdiv and the "Biotekhnik" economic production association in Moscow) will be working together in developing technologies in the area of genetic engineering.

CZECHOSLOVAKIA

First CSSR-USSR Joint Enterprise in USSR To Be Formed

24000024a Prague RUDE PRAVO in Czech
23 Sep 88 p 4

[Article by Frantisek Mucha: "For Mutual Benefit"]

[Text] There is much talk today about the need to develop direct production relations with enterprises in CEMA countries, particularly in the Soviet Union. It is,

as life has shown us, one of the principal ways to deepen international economic integration. And it even offers the possibility to establish in some of these countries a joint enterprise from which mutual benefits would accrue. It was precisely this option which was chosen by the Production Cooperative in Bratislava and the Industrial Kombinat in Mukacevo in the Ukrainian SSR. The first joint CSSR-USSR enterprise on USSR soil will be called Intergalko, or the Internationalnyj Galanternyj Kooperativ (International Specialty and Leather Goods Cooperative).

How did the idea to create a joint enterprise for the production of specialty and leather goods come up anyway? The initiative came from Kozatex at the beginning of last year, shortly after representatives of Czechoslovak and Soviet cooperatives met in Prague to discuss the possibility of deepening cooperation. The whole matter became very important for the managers of Kozatex, and so it is not surprising that the formation of the joint enterprise was preceded by thorough planning. New things do not get born easily, they have their enemies. But in Kozatex they believe that everything will go according to plan, and that on 1 November of this year the trial production in the joint enterprise will be launched.

Partners

The industrial kombinat in Mukacevo has a varied production program. Besides textile goods, they also manufacture specialty goods, goods made of wood, soft drinks, and even sausages....but undoubtedly all these products will be forced out by the production of the leather goods.

Bratislava's Kozatex has seven factories from which goods travel to 28 countries. Each year it exports goods in the value of Kcs 35 million to the Soviet Union alone. It is well known, that the Soviets consider the offering of leather goods from Kozatex to be one of the best. And, 90 percent of the work in the production cooperative is done by women.

The chairman of the cooperative, Dr Jan Jankovic, and the man in charge of the legal department of the organization, Dr Jan Popelka, explained to us what the first steps of the joint enterprise will look like. It is obvious that they are very enthusiastic about this project, that they have all details well thought out, that they are leaving nothing to chance.

The proposal for establishing Intergalko was worked out in accord with chapter No 2 of the agreement between the governments of the CSSR and the USSR on basic principles of the formation and activities of joint enterprises and international cooperatives and organizations of 4 November 1986. After approval by the directors of the Slovak Union of Producer Cooperatives, the proposal was submitted to the central agencies of the republic and the federal central agencies of the administration. Some of them offered comments, but most of them only "took note" of the matter.

Effective Investments

It is not without interest how the two participants resolved the question of ownership. During the first stage of the operation, which will last from 1 November 1988 to the middle of 1991, the total share of the Czechoslovak partner will be 45.2 percent, in the second stage it will decline to 44.9 percent. On the basis of other parameters and indicators this appears to be an effective investment. The joint enterprise will be managed with an above-average profitability of production assets.

J. Jankovic does not conceal the fact that they are interested primarily in receiving an average share of profits of the joint enterprise, to put it briefly, in having their contribution to economic results secured. It seems that the cooperative should have its financial investment back in approximately five, at the most six years.

During the first stage the joint enterprise will be housed in two temporarily provided and reconstructed buildings in Mukacevo which will be furnished with technical equipment supplied by Kozatex. There will be 200 employees working in two shifts. They will be making ladies handbags, school bags, and attache cases. At the same time the Soviet participant will be constructing an independent factory and other social facilities.

During the second stage there will already be 400 people working in a two-shift operation, and cosmetic cases will be added to the range of products. In view of the complicated process of supplying materials needed for production in the USSR, Kozatex will provide the joint enterprise with leatherette and fittings from its own production on a contract basis. Kozatex will also provide the entire technical planning of the production and development.

No Easy Beginnings for New Projects

In September about 20 workers from Mukacevo will come to Kozatex for training and in October specialists from Kozatex will set up an enterprise workshop in Mukacevo. To put it briefly, they think of everything.

The highest management agency of the joint enterprise will be an eight-member board of directors, which will have the right to decide all basic issues. Its chairman will be a Czechoslovak citizen, whereas the director of the joint enterprise will be a Soviet citizen.

From the Kozatex point of view, of particular importance will be the import of cotton fabrics, which are in short supply here and are used as foundation material for the manufacture of leatherette. Kozatex is considering a yearly delivery of about 2 million square meters; half of that has been guaranteed thus far. The assumption is that part of those costs would be covered from Kozatex's share of the profits in the joint enterprise.

The establishment of joint enterprises with entities from socialist countries represents a new long-term form of cooperation of socialist countries, which is a real contribution toward realizing the main directions of further development and deepening of economic and R&D cooperation among CEMA countries. There is a lack of the necessary legal groundwork and experience which would assist the projects in the planning stage. For example, today there would be a need to gradually ensure raw materials for production, conclude the first contracts, but that is not possible until the enterprise is properly registered. Let us hope that these questions, too, will be resolved as soon as possible.

Societal vs. Enterprise Interests in Restructuring Viewed

24000024d Prague RUDE PRAVO in Czech 8 Oct p 1

[Editorial: "Whose Interests Come First?"]

[Text] It has been several months since the law on state enterprise went into effect, and for several months there have been more than 400 of them here. Others are in the process of being established. Both the existing state enterprises and the ones being established are now permeated with an effort to fulfill this year's plan and thinking about how to give expression to the new independence, or perhaps how to make use of it when it is gained.

The law itself of course determines how things are to be done, but only in general terms. It is unthinkable that it should give instructions on how to act to every organization, but it determines generally valid principles. Their meaning is unequivocal, nevertheless in their application in specific circumstances there could be and there already have been here and there some individualistic interpretations. Such deviations are not an expression of bad faith, but rather of people giving to the maxim that blood is thicker than water. Or, to put it another way— independence is sometimes interpreted as a severing of all bonds with society.

After all, at first glance the new rules of the game invite such an attitude. No allotments, no grants or anything else, you, state enterprise, have to earn money for everything yourself. Above all for wages. There is, of course, the bank which will be ready to grant credit, but not for covering management mistakes, only for a properly planned development of production or other useful activities. To stand on your own feet with confidence is not an easy thing. That is the reason for the feverish thinking about how and with what to make one's position secure.

And so in many a state enterprise the thinking goes like this: this production is profitable for us, therefore we shall increase it, whereas another one brings little profit, or is even counterproductive, and so we shall discontinue it. From the viewpoint of the interests of the enterprise, such thinking is understandable.

But are there now only the interests of the enterprises, did national interests lose their importance?

It is as if in some enterprises they skipped over the introductory part of the law on state enterprise and began to study and apply it from the middle. And it is precisely at the very beginning where it is firmly established that an enterprise is a socialist organization whose main social mission is to satisfy efficiently and economically the needs of socialist society; in accord with this mission the enterprise ensures its economic growth and depending on its economic results, the social improvement of its work collective.

Did the state enterprises then gain autonomy in decisionmaking, or did they not get it, since in its activities they are obliged to keep in mind national interests? Of course they gained autonomy, and nobody is denying it, nor are they allowed to, but it must not be interpreted selfishly, only from the viewpoint of their own interests (and what do we care about others).

The past method of management tied their hands, it dictated just about everything, even such solutions or approaches which were not the most appropriate in view of a specific situation in the enterprise, or which even impaired its progress. And now the state enterprises, their managements, have an opportunity to prove that they can handle their tasks much better, much more efficiently without being ordered about by the superior agencies. But in no way does that mean that they should not consider the needs of the socialist society. The law on state enterprise does not, after all, decree improvisation or even anarchy in management, but instead provides a hitherto unwonted space for action and initiative by removing barriers.

But there is that inefficient performance formerly dictated by the plan. Should a logically thinking socialist manager just follow it blindly without caring about the consequences? Or should he now use his independence to look for and find ways to make it efficient? Such search for better ways has been recommended before, but not very consistently, and nobody was particularly disturbed if they were not found. In the enterprises they always somehow adjusted things in the statements, or it was done by reallocation at the general management level. But this will not be possible any longer.

And why were some kinds of production unprofitable anyway? Was it the fault of the obsolete technology only or was it the inefficient machine stock? Only up to a point. Other causes were an excessive use of materials and energy, poor use of the work year, unnecessarily high overhead costs, and an overgrown administration. Its size was justified by the obligation to produce reams of various reports, statements, and summaries. That is now being simplified, and it should be simplified. Similarly, the enterprises were burdened by an organizational structure (in connection with wage regulations) which required that a supervisor could be only a person who

has a certain number of subordinates assigned to him, regardless of whether he needs that many or not. So it was not surprising, that in some places there was sometime one administrator for two blue collar workers, etc. It is indeed very difficult to earn enough for such an organizational structure.

Is it in the interest of an enterprise to continue doing things this way? It is not in its or the national interest. It is also not in the interest of the enterprise or the society to look down on initiatives such as, for example, making improvements. How many good ideas were left unused, because they were scuttled by the bureaucracy, and many a time by envy. How many useful innovations were not implemented only because they were thought of by people other than those who made the decisions. Perhaps it is not necessary to go on listing the things which the enterprises now can or should change, not only in their own, but also in the national interest.

Thus far, the enterprises were concerned about fulfilling the plan without being interested in whether by fulfilling it they also satisfy the needs of society. That was because the plan was dictated to the enterprises. Now, however, state enterprises will construct their own plans. The foremost and decisive criterion of the plan should be whether it corresponds with society's needs. This is not some unilateral commitment, but a precondition necessary so that society then is able to provide the enterprise employees with their needs. And those are not a few.

It has been emphasized many times already during discussions of the individual problems of the restructuring of our economic mechanism that with the greater independence greater responsibility must be inseparably linked. Economic reform is to bring much that is good, but it also increases the requirements for quality work, particularly in management. Thus we cannot pick only the better things from the new rules of the game.

This whole complicated operation is being carried out with only one, albeit an overriding goal—to intensify the creation of resources that society needs for its continuing

development. But under no circumstances can a resource be created actually at a cost to society, that must be kept in mind at all times. That is why any signs of selfishness, disregard for national interests, and attempts to have a good life at somebody else's expense, absolutely must be nipped in the bud.

The reform is bringing us much that is new and untried, it is in its own way an experiment, and requires new thinking. That is exactly why it will be useful to evaluate our experiences at every turn as we go along, and adjust the course of the restructuring before any possible mistakes multiply too much. Above all, we must be on guard that the national interest remain a priority, everywhere and in all instances.

Outlook for 8th 5-Year Plan Fulfillment Not Promising

24000024c Prague ZEMEDELSE NOVINY in Czech
20 Oct 88 p 3

[Article by Eng Ivan Suján and Eng Dusan Strauch, Research Institute for Socioeconomic Information and Automation in Management, Bratislava: "What Are Our Prospects for Fulfilling the Goals of the Eighth 5-Year Plan? Results Do Not Meet Expectations"]

[Text] On 26 May 1988 we published in ZEMEDELSE NOVINY the article "What the Prognosis Tells Us," which concerned itself with an analysis of the various strategies for developing the Czechoslovak economy and the impact their implementation will have on the development of selected indicators in the period up to the year 2000. Today we are offering another contribution from the workshop of economic research which is directed more at the present and immediate future. Specifically, however, it is directed above all at the assumptions and results of the forecasting model of a group of basic macroeconomic indicators up to the year 1990. That will enable us to conditionally evaluate for the 5-year plan as a whole the extent of the fulfillment of the planned—and let us note, very demanding—goals for the development of our economy during that period.

Development of the Basic Indicators of the Czechoslovak Economy in 1981-90 (Midyear Rates of Growth in Percent)

Indicators (in Constant Prices)	Actual	Original Plan	Actual	Prognosis	New Directing Plan
	1981-85	1986-90	1986-87	1986-90	1986-90
National product	1.7	2.3	2.4	2.3-2.6	2.1
Production consumption (without write-offs)	1.4	1.5	2.3	2.1- 2.5	1.7
Created gross national income	2.2	3.5	2.5	2.4-2.8	2.6
Consumed gross national income	0.6	3.1	3.8	3.0-3.5	2.7
Personal consumption	1.0	2.3	2.4	2.0-2.3	2.2
Public services consumption	4.0	6.0	5.9	5.0-5.6	5.3
Investments	-1.1	2.1	3.1	2.4-3.0	1.1
Workers in production branches	0.5	0.1-0.3	0.8	0.6-0.8	—
National labor productivity	1.7	3.2-3.4	1.6	1.8-2.1	—

According to the original goals of the Eighth 5-Year Plan, the years 1986-90 were to be a period of a marked turnaround for the Czechoslovak economy in improving the efficiency of the replacement process, a period of a definitive accomplishment of the intensification of economic growth. These goals were projected into the specific values of the pertinent indicators of the state plan. It assumed a parallel acceleration of economic growth along with profound structural changes, which was to be accomplished basically only by increased efficiency without an extensive use of outside resources.

Tasks Uncommonly Demanding

The extraordinary challenges of the original 5-year plan were manifested particularly by the planned substantial lead time in the rate of growth of the gross national income over the national product and production consumption (second column in the table). It is also obvious from a comparison of the planned growth rate of these indicators for the Eighth 5-Year Plan with the actual growth in the preceding 5-year period (1981-85). At no time in the past (let us say, in the last 30 years) did we succeed in achieving in a prolonged continuous period such a reduction in the material intensiveness of production to be able to have a lead time in the rate of growth of the gross national income over production consumption of a whole two points (see table).

At this time, a sustained growth of that kind is not possible in our economy primarily for these two main reasons:

—an obsolete production base of most—particularly industrial—branches (in comparison not only with world state-of-the-art standards, but also with the routine standards in developed Western economies) objectively does not make it possible in view of the parameters of given technologies, does not make possible any further significant measurable savings of materials, energy, fuels, etc.

—within the framework of the current economic mechanism it is possible only with difficulty to achieve a significant turnaround in the substantive involvement of the workers (and the enterprise sphere as a whole) in saving materials and energy.

Other ratios of the Eighth 5-Year Plan (table) assumed, in comparison with what was actually achieved in the Seventh 5-Year Plan, a significant increase in the rate of growth of the domestic consumption of the gross national income (that is, after considering the impact of foreign trade). The greatest acceleration of growth was to occur in investments (by 3.2 points a year), a little less in public services consumption (2 points), and an appreciable acceleration was to occur also in the real personal consumption of the population (1.3 points). The plan further assumed a significant decline in the dynamics of foreign trade turnover with socialist countries in prevailing prices (as much as 7.5 points a year). This is for the most part the result of the reduction in the price of crude

oil imported from the USSR. Following a period when imports from nonsocialist countries were restricted (the entire Seventh 5-Year Plan), it was planned to increase it in the Eighth 5-Year Plan (by 3.2 points a year), whereas it was expected to merely maintain exports at the average rate of growth at the level of the previous 5-year plan.

Also, a better development of the standard of living (people's income and retail prices) was planned: a faster growth of income and a slower growth of prices in comparison with the period between 1981 to 1985.

Intensification Lacks Functional Levers

At this time we already know the actual development of the economy for the first half of the Eighth 5-Year Plan (at least for some of the basic indicators). It proves unequivocally that under the current system of managing the economy there are not enough sufficiently functional levers available to really achieve a quick and continuing growth of intensification, particularly any significant reduction in the material intensiveness of creating the national product. This fact in turn causes a slow growth in efficiency, where we were also unsuccessful in achieving the desired changes. Although we did reach the planned rate of growth of the national product, the increases in the gross national income were far lower and the increases in production consumption far greater than assumed by the Eighth 5-Year Plan. We have to note here that the yearly operating plans already have been made much less demanding in this respect than the original goals laid down in the 5-year plan. (The third column of the table contains the actual rates of growth of the basic macroeconomic indicators during the first two years of the Eighth 5-Year Plan).

For the Czechoslovak economy, being a small and open one (according to the ratio of export, or import, to the gross national income), the development of foreign economic relations is of supreme importance. The mechanism of price setting current in the foreign trade of CEMA member countries has meant a certain relief for us during the past several years. That is, a reduction in the price of imported crude oil and some other raw materials brought a significant improvement in the exchange rates and foreign trade balance with socialist countries.

Thus far the developments in the Eighth 5-Year Plan indicate that in comparison with the previous 5-year plan, there has been a change in the import strategy in relation to nonsocialist countries (differentially to developed and developing countries). The failure to fulfill planned goals in the creation of resources was not reflected in their internal use during the past two years, but in a certain increase in the external imbalance—an increase in the indebtedness to the developed capitalist countries. An increase of imports from this area was considerably higher than the original plan stipulated, whereas the planned rate of growth of exports was not met.

The improvement in exchange terms as a result of the lower prices of imported raw materials brought a certain relief even in this respect. However, even this in no way changes the fact that because of the overall low quality and technological level of the offered Czechoslovak goods, there has been an interminable increase of the problems of selling our exports on highly demanding markets. On the other hand, we can evaluate positively the fact that the largest share of the higher imports is in machinery and equipment (their share of total imports in current prices grew just in the last two years—from 1985 to 1987—by 8 points). There has been also a reduction of the unbearably high surplus trade balance with developing countries, achieved by a cutback in exports.

Indicators of the internal (domestic) final use of the gross national income show that the planned increases in real personal consumption were exceeded, and a high rate of growth of public services consumption also was reached. The social program of the 17th Congress of the CPCZ is thus being on the whole successfully fulfilled. But on the other hand, a part of our consumed national income remained idle in excessive inventories and unfinished construction projects. The rapid growth of investments (particularly machinery) in 1987 was in part caused by transferring the unrealized export of machinery and equipment to nonsocialist countries for the benefit of domestic investments. As long as this possibility exists, the production enterprises will use it, which weakens their incentive to make structural and qualitative changes, particularly in the lagging production of machinery.

The relatively fast growth of real personal consumption of the population in 1986-87 was not the result of any significant acceleration in the rate of growth of nominal wages, but of a slowing down in the rate of growth of retail prices. At the same time, there has been an increase in savings and ready cash in the hands of the people. That indirectly confirms the continuing deepening of the internal disequilibrium—for the most part on the consumer goods market. Thus, the problems with the quality and product mix of consumer goods persist, and the relatively high rates of growth signify only a quantitative improvement over the last 5-year plan when the real personal consumption grew much more slowly on the average.

According to the published report of the Federal Bureau of Statistics on the results of the first half of this year, the serious problems of developing the Czechoslovak economy persisted throughout that period, even though we reached a somewhat higher level than in 1986-87. The planned volume of gross production in industry and construction was exceeded, but at the same time the volume of investments, production consumption, and inventories was exceeded as well. Turnover in retail trade and personal consumption of the population were higher than planned, nevertheless the demand for a number of items, particularly for consumer goods, has not been met.

What the Forecasting Model Assumes

To judge the realistic possibilities for the development of our economy by the end of the Eighth 5-Year Plan, we can use among other things the forecast worked out with the help of the econometric model. The calculations of the model project into the development of the basic macroeconomic indicators their interrelationships (expressed in numerical form by the equations of the model) as well as the initial assumptions of the development of intensive and extensive growth factors. In our case, the following intensification factors were included in the calculations of the model:

- operational research and development (so-called technical-organizational progress), which in the equation being used is one of the factors explaining the development of the national product. The contribution of the technical-organizational progress to the rate of growth of the national product was estimated for the Czechoslovak economy on the basis of statistical data for the years 1985-87 at about 0.8 percent a year, and, according to the forecast for the period 1988-90, we cannot count on any significant change in it. In comparison with developed Western countries as well as with the rapidly developing economies of the so-called newly industrialized developing countries, this contribution is very small;
- technological progress embodied in fixed assets is expressed by the share of either domestic or imported (from developed capitalist countries) technologies in the total of fixed assets. Here we expect some improvement during 1988-90, mainly as a result of considerably higher imports of machinery which we have already mentioned. This is one of the necessary conditions for accelerating the intensification of our economy, but it is not sufficient in itself;
- reducing material intensiveness (indirect indicator of the realization of the intensification processes) expressed by the share of production consumption in the national product. The assumption used for its development up to the year 1990 corresponds with today's facts—instead of the planned reduction of 0.9 percent a year, we project a reduction of only 0.2-0.3 percent.
- efficiency of foreign trade expressed by the development of prices in export and import, while from the viewpoint of efficiency uppermost in importance is the development of their mutual ratios (or real exchange rate). In trade with socialist countries we are assuming for the year 1990 very moderate price increases as a result of past developments in world prices and the current mechanism of price setting in trade with CEMA countries. In addition, it applies here that the prices of other commodities evolve from the prices of raw materials. Such a development in prices would mean a further improvement in exchange rates with socialist countries, by 1.9 point on the

average. Even in the Czechoslovak trade with nonsocialist countries the movement in prices in the last three to four years was relatively small, and there was also evidence of deflationary tendencies (mainly in the raw materials and food commodities). This stage in the development of world prices has now ended, however. For the years 1988 to 1990 we expect a moderate increase of import and export prices, with import prices rising faster roughly by 1.1 points a year (i.e., decline in the exchange rates by the mentioned ratio). It appears that at this time it is not possible to expect a turnaround in the unfavorable trends in Czechoslovak export prices while the import prices from nonsocialist countries will probably increase in concert with world prices.

Among the most important extensive sources of economic growth are the work force and the capital assets, as well as the energy and raw materials resources as the other inputs into the manufacturing process. The numbers of the work force in the manufacturing sphere should grow by 0.7 percent a year on the average (in 1986 it was more than 1 percent). This obviously does not correspond with the current trends in the developed countries, where on the contrary the number of workers in the manufacturing sphere is decreasing and all increases in jobs are in services. The growth in capital assets is basically given by the growth in investments. The input of electrical energy into the manufacturing process should be growing at a rate of about 2 percent. We also cannot count on a further increase in the volume of imported raw materials.

Some other ratios were also included in the calculations of the model, for example, the growth of public services consumption as against personal consumption, the moderate acceleration of the growth of retail prices, further slowdown in the growth of construction projects, etc.

Confirmed Again: Restructuring Cannot Be Delayed

In the fourth column of the table are listed the intermediate projections of the average midyear rate of growth of basic macroeconomic indicators. The forecast of the model calculated for the period of 1988-90 was aggregated with the actual growth rate in 1986 and 1987 and projected into the average rates for the entire period of the Eighth 5-Year Plan.

The forecast indicates that of the production indicators only the fulfillment of the originally planned growth rate of the national product is realistic. Decisive, however, will be the development of the indicators of net production. Here, of course, the growth of the gross national income obviously will lag behind the original plan, same as the growth of the national productivity of labor (gross national income per one worker in the productive sphere). The cumulative setbacks in fulfilling the planned volume of the national income will eventually reach tens of billions of Ksc. It appears at the same time, however, that in view of the favorable developments in

the exchange rates in foreign trade (which the plan obviously did not expect to be of such an extent), and the less restrictive approach of the planning center to imports from nonsocialist countries, there could be a lead time in the rate of domestic consumption of the national income ahead of its formation, without any appreciable increase in outside indebtedness.

Less favorable is the fact that the insufficiently effective use of limited resources in industry, agriculture (where material intensiveness continues to grow), and in construction will persist. From this point of view, the fact that in all the three main branches of the productive sphere the planned rate of increase of gross production will probably be achieved, can be considered only a partial success.

The expected slowdown of the price increases in foreign trade with socialist countries will probably mean that the planned rate of export to those territories (in prevailing prices) will not be achieved, whereas the fulfillment of the plan for imports appears to be more realistic. However, we must expect grave problems in fulfilling the plan for export to nonsocialist countries (we already mentioned the causes of that). On the other hand, the planned rate of growth of imports from those countries will most probably be exceeded.

According to the prognosis, a certain revitalization in the investment sphere will continue (in comparison with the Seventh 5-Year Plan) and the originally planned rate for the Eighth 5-Year Plan—2.1 percent a year—will probably be achieved. But the serious fact remains that the number of documented unfinished construction projects is not declining.

The growth rate of the real income of the population was considerably exceeded in the first half of the Eighth 5-Year Plan. Because of that, it should grow more slowly in the remaining period. That is indicated by the prognosis as well as by past experiences with the measures of the center in similar circumstances. Of considerable importance in this connection are, of course, the possibilities of ensuring an adequate supply of goods on the domestic market.

According to the prognosis, among the other items of final use the high growth rate of public services consumption will continue, but obviously the original plan for the Eighth 5-Year Plan (6 percent a year) will not be fulfilled. There is also the serious matter that a considerable part of the consumed national income—as we already mentioned—lies idle in the high increases of circulating capital and inventories, which (unless there is a quick change in the performance of the production sphere) will continue also in the period up to the year 1990.

The results of the prognosis show that failure to fulfill the originally planned goals for creating the gross national income and for reducing the material intensiveness of production, has considerable consequences as far as improving the efficiency and quality of the replacement

process is concerned. After all, according to the prognosis the growth rate of labor productivity, for example, will be only half of what was originally planned for the Eighth 5-Year Plan. That is related to the failure to create sufficient conditions for accelerating technological progress, intensification, reduction of the material intensiveness of production, increasing the efficiency of foreign trade, and strengthening the motivation of the work force. The urgency to solve these problems was also repeatedly emphasized in the latest resolutions and measures of the CPCZ and the Czechoslovak Government. A positive contribution could be made in this respect by a further broadening and deepening of the experiment of increasing the autonomy and responsibility of organizations for effective development.

A gradual restructuring of the entire economic mechanism and the society as a whole is a fundamental condition for an accelerated transition to an intensive type of economic development. On the other hand, however, we must realize that the positive impacts of the restructuring can fully manifest themselves only after a certain lapse of time. Therefore the operating plan for next year approved by the Czechoslovak Government in July realistically counts on an increase of the gross national income of only 2.2 percent and the directing draft plan for 1990 with an increase of 3 percent.

The total average rate of growth of the gross national income for the Eighth 5-Year Plan would, according to these new yearly plans and with respect to what was actually achieved thus far, reach 2.6 percent (last column of the table). That corresponds with the mean of the period of our prognosis. A similar situation exists in the rate of growth of personal and public services consumption. On the other hand, our prognosis assumes, in comparison with the new plan, higher volumes of production consumption and investments, and as a result also higher volumes of the national product and consumed national income. The developments thus far rather tend to corroborate the assumptions of the prognosis.

GERMAN DEMOCRATIC REPUBLIC

Improved 1988 Economic Performance Compared to Previous Year

23000062 Vienna *INDUSTRIE in German*
16 Nov 88 pp 26-27

[Unattributed article: "Still Centralized"]

[Text] Following a noticeable growth slowdown for the GDR, similar to those of the other COMECON [CMEA-Council for Mutual Economic Aid or Assistance] states in 1987, the economic barometer for 1988 and 1989 is rising again.

The GDR's structural economic problems, especially the bottlenecks in the labor and energy areas, continue to hamper its economic development. For 1988 the real economic growth will be about 2.5 percent. For next year a rise in the GNP will also be of that order of magnitude.

During the first 6 months of 1988, industrial production growth rates went according to plan. As in the prior year, the electrical technology and electronics sectors, as well as the chemical industry, achieved particularly high growth rates. Drastic efforts in the consumer goods industry resulted in higher growth rates in that sector also. Overall industrial output for 1988 is estimated at 4 percent above last year's.

Despite the mild winter, growth in the agricultural sector is likely to be somewhat disappointing in 1988. Late frost and droughts will restrict this year's agrarian output to only a 2-percent growth. Contrary to the results in vegetable production, animal production probably exceeds planning figures.

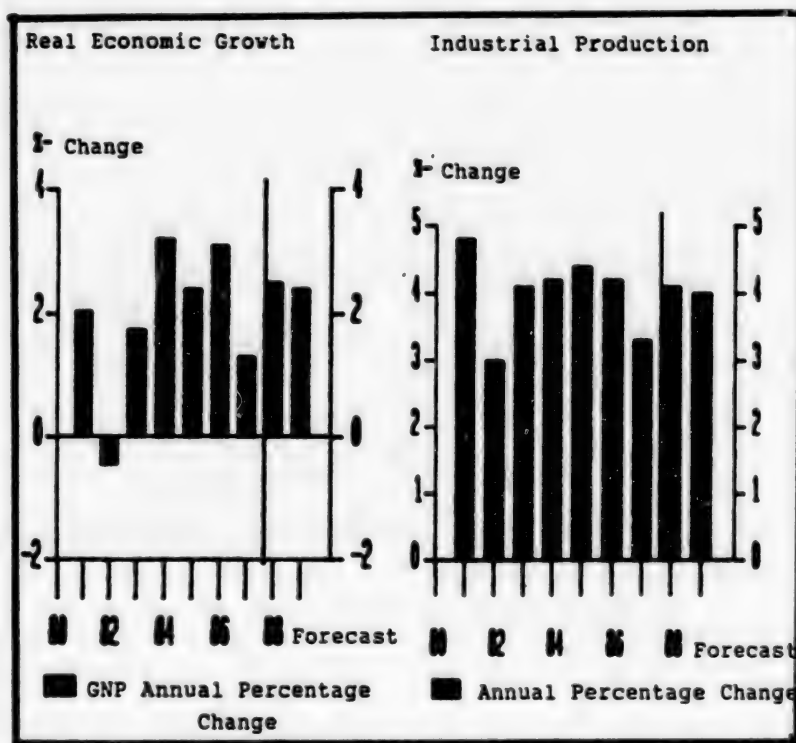
The general development of the GDR's agricultural sector is hampered mainly by the low level of food processing, by a dearth of storage capacities and insufficient capitalization.

Inadequate energy availability is one of the main problems facing the GDR's economy. Adverse weather conditions in 1987 particularly aggravated the energy shortage due to a decline in soft coal production. This year the energy sector is in a better situation. During the first 6 months of 1988, soft coal production increased by 2 percent, electricity supply by 4 percent. Drastic energy conservation measures further contributed to a lowering of energy intensity by 4 percent.

Growth in capital investments, which had an estimated relatively high 5.4-percent growth rate last year, accelerated some more during the first half of 1988. The current 5-Year Plan gives priority to capital investment for efficiency-generating and technologically innovative items.

Greater investment spending is primarily concentrating on production areas. Additional impulses upon capital investment are probably generated by the newly-established investment fund, whereby enterprises have the authority to expend a part of their income on capital investment projects. Overall, an 8-percent increase in capital investment spending is expected for this year.

Private sector consumption grew only slightly in 1987; the reason for this is primarily the fact that increased disposable income was faced with only a limited availability of consumer goods. This year, retail sales grew faster than the population's disposable income. This meant that the excess in demand could be slightly reduced. The growth in private sector consumption is likely to grow this year.



Only vague figures are available on the GDR's foreign trade with the Western industrialized countries. The trade surplus with these countries which was achieved in 1987 could come about only with drastic import restrictions inasmuch as there was a decline in exports.

Inner-German trade was lagging in 1987 also and was below the previous year's level. There was a further reduction in GDR foreign trade during the first half of 1988, compared with the same period of the preceding year. As they had in the previous year, capital investment goods caused an above-average growth rate for imported goods.

GDR trade with the socialist countries stagnated in 1987. While there was a slight increase in exports, there was a reduction in imports. Trade with the USSR experienced a particularly sharp reduction.

Foreign trade trends during the first 6 months of 1988 indicate that trade relations of the GDR with the socialist countries will show another slight decrease in 1988.

Having had a trade surplus of about \$500 million in 1987 with the Western industrialized countries, the GDR should about break even this year.

This is caused primarily by a relatively rapid increase in imports. Should the present trend continue, the GDR's trade balance might show a slight deficit next year.

Contrary to what most other COMECON states have done, the GDR has so far refrained from making structural

economic reforms. The relatively stable economic development was seen as confirmation of the correctness of the strongly centralized economic concept.

The slowdown in economic growth and problems in the balance of payments led to an austerity program in the first half of the 1980's, which included reductions in imports. There has been no solution to the GDR economy's structural problems to date.

One of the main factors of the slowdown in economic development consists of the stagnating labor pool. The greatest worker shortage is in the service sector; but in industrial production the labor shortage could not be compensated for by increased efficiency measures either. The reason for this was that reduced imports in turn caused a decline in innovative technological capital investment expenditures.

For this reason, the current 5-Year Plan emphasizes capital investment, especially in the industrial production and particularly in the consumer goods areas. The so-called investment funds were established in 1987, which served to give the enterprises greater autonomy in this respect.

Regardless of the size of the enterprise, a part of its revenue can be spent on capital investment at its own judgment. For practical purposes however, only a small part of capital spending was removed from the jurisdiction of the central planning authorities.

There will be no change either in the foreign trade monopoly.

Railway Accident Claims 8 Lives

23000068 Dresden SAECHSISCHE ZEITUNG in German 5 Dec 88 pp 1-2

[Unattributed article: Five GDR Citizens and Three Polish Citizens Lost Their Lives]

[Text] Dresden (ADN)—A tragic railway accident occurred Saturday morning near the Polish border between Horka (in Niesky Kreis) and Bielawa Dolna (Poland). A Polish freight train collided with a Deutsche Reichsbahn (East German Railway) service train carrying railway workers. The accident cost the lives of five GDR citizens and three Polish citizens. Two employees of the Deutsche Reichsbahn and a Polish railway worker were brought immediately to the Goerlitz Bezirk Hospital for medical treatment. One Polish citizen suffered only slight injuries (which were treated in the ambulance) and was later released from the hospital.

The collision of the two trains caused both diesel locomotives to burst into flames, creating heavy damage, while a total of 10 railway cars were derailed. Deutsche Reichsbahn personnel, members of the fire department, civil defense workers, and rescue vehicles provided by the emergency medical service were at the scene of the accident without delay. Working under difficult conditions, they removed the dead and provided first aid for the injured. The segment of railway track where the accident occurred had to be closed. Intensive efforts are being made to clear away the wreckage. Trains have been temporarily rerouted along an alternate route.

A commission (directed by the President of the Cottbus Reichsbahn Authority, Dr Friedrich Schumann) took charge of the rescue-and-salvage operations at the scene of the accident, while (on behalf of the Minister of Transportation) conveying deepest sympathy to the victims' relatives. These relatives are to receive whatever assistance and support they need.

Along with the Vice President of the Wroclaw Bezirk Transit Authority (Polish State Railways), Feliks Goli-scek, who also appeared at the scene, it was determined that the accident was caused by human error on the part of the Polish railway engineer who lost his life. He ran a stop signal in the Bielawa Dolna railway station.

POLAND

'Pol-Eko' Ecological Foundation on Finances, Enterprise Plans

26000186 Warsaw ZYCIE WARSZAWY in Polish 4 Oct 88 pp 1-2

[Interview with Stanley Adamski, sponsor of the Polish-Polonia 'Pol-Eko' Ecological Foundation, by Eugeniusz Pudlis: "Business and Ecology"; date and place not given]

[Text]

[ZYCIE WARSZAWY] They say there will be ministers, college chancellors, professors and many other VIPs, at

the Royal Castle, in the Hall of Balls, where Gorbachev was received... Does the signing of the charter for your foundation this Wednesday really call for such pomp and circumstance?

[Adamski] We have to launch this on a grand scale, and—I would not shrink from this definition—even fanfare, if this foundation is to develop its activities in the way we are planning, i.e., acquire a genuinely international scope, carry out nontrivial economic operations and gain the confidence of Poles dispersed throughout the world. I believe that the issue itself, environmental protection—one hot potato of a topic, which naturally transcends political systems, associations, or parties—merits such treatment. Besides, the Royal Castle was rebuilt by Polonia as well, and the signing of the charter right there is also symbolic.

[ZYCIE WARSZAWY] You are using lofty words, but, after all, you are primarily a businessman; therefore, you have come to Poland to make money, whereas the foundation...

[Adamski] Everything I am doing on behalf of environmental protection and ecology is my great passion. I am not expecting any benefits from the foundation, because as a British citizen I cannot draw even symbolic remuneration, to mention just one reason. Besides, I rely on other sources for my income.

[ZYCIE WARSZAWY] That is...

[Adamski] For example, [proceeds] of the Rollstick company, which I have now owned here, in Poland, for 2 and a half years. This year, the sales of the enterprise will be about 3.5 to 4 billion zlotys. To make it plain, to a businessman's mind, profit is the capital that goes on working. I earmark 90 percent of profit for investment. Rollstick designs and builds various types of sewage treatment plants and dust scrubbers, mainly for cement mills. Now we are opening new branches and augmenting our workforce. We are aware that the need is and will continue to be very acute.

[ZYCIE WARSZAWY] So, you are the lucky one for whom investment in Poland has worked out. This is not the rule, as bureaucratic barriers and the fear of foreign capital in Poland stifle the initiatives of those who want to invest in Poland. The company Hambro International Ltd., which wants to build a residential subdivision at Powisle, is a good case in point. Thus far, 2 years of efforts by Hambro have come to naught. Local authorities are not saying "no," but they are not issuing the permit either...

[Adamski] Three years ago, when I came to Poland, I was first surprised, then discouraged, until finally, a nervous wreck, I got onto a plane several times in order to abandon all of this. I came back, however. My persistence, the fact that I would not admit defeat and even

managed to cope with the difficulties I have been running into in Poland are now really bearing fruit.

[ZYCIE WARSZAWY] If it were not for my participation in the drawn-out, painstaking procedure of editing the statute of your foundation, which, after many changes, was ultimately put into its final form with success due to your Olympian calm, then I would not believe such persistence and perseverance. I hope that both you and other Polonia activists will likewise have enough patience to wait for the amended law on foreign enterprises.

[Adamski] The drafts submitted thus far have not been bad, but they were not satisfactory for us, practitioners. In view of this, deputies [of Parliament] met with the representatives of companies in Poland. We discussed this document point by point, and I believe that we succeeded in improving the entire law. Now it is satisfactory and, perhaps, acceptable to the Polonia circles as well.

[ZYCIE WARSZAWY] However, not to the journalistic circles of our country. A couple of weeks ago, they wrote in *POLITYKA* that the new legal conditions for the operation of foreign capital were going to be favorable, because there was no way they could be any worse than the current ones.

[Adamski] Law and reality are what they are. After all, there has been no prior tradition of companies with Polonia or foreign capital in Poland. However, it appears that social awareness is sort of growing up to the level of this act. I believe that this document will play its role upon adoption. In many respects, Poland is a difficult market, and there ought to be a document which will encourage such investment.

[ZYCIE WARSZAWY] Let us backtrack to the Pol-Eko foundation. Its statute makes no mention of its economic operations, to which you attach high hopes, tying in with national economic plans and the National Plan of Environmental Protection until the year 2010, which is to be adopted soon.

[Adamski] I believe that all of our operations, from supporting ecological initiatives to building specific sewage treatment facilities, will dovetail with the National Plan of Environmental Protection. However, we are also banking on international activities. Right now we are developing a concept according to which creditors will allocate Polish debts or interest service to ecological investments. The Swedes who care so much about the cleanliness of their Baltic coast are interested in helping Poland in cleaning up the Vistula and the Gdansk Bay. We have already had talks about this with the Polish-Swedish Ecological Association. My dream is to create the European Ecological Center at the foundation and to rally around it ecological movements from all of Europe.

[ZYCIE WARSZAWY] We may recognize that your plans are on a grand scale, if we add to this other concepts of setting up at the foundation the International

East-West and North-South Discussion Clubs of Ecologists, the Bureau for Social Initiatives and the Pol-Eko International Warehouse. However, you said yourself that documents and practice are two different things...

[Adamski] However, I have not yet said everything about economic operations which are to boost the assets of the foundation. For example, we are thinking about setting up an entire group of enterprises which will produce equipment for environmental protection, measuring devices, and so on. We have held preliminary talks about creating an ecological duty-free zone. Therefore, it is true that the plans and intentions are tremendous. However, let us not think that after the foundation is created, the ecological sesame will open overnight, all ideas will be implemented, and, in general, the foundation will be an enormous success. This is not how I see the role of the foundation. I think that, being an independent, nongovernment institution, it will be able to put together various undertakings and successfully encourage investors from outside Poland. However, many years are needed for the effect of this work to become apparent, just as many years are needed in order to restore original features to polluted waters, air and all of nature.

[ZYCIE WARSZAWY] For a moment, let us leave alone the plans outlined here. While I believe in your good will, I am still mindful of a thought by [Daniel] Passent [deputy editor in chief of *POLITYKA*—translator's note] in one of his columns. Specifically, he wrote that at present, in Poland almost anything can be said, but still almost nothing can be done. With this as an introduction, here is a specific question: with what kind of initial capital will the Pol-Eko Foundation come to life?

[Adamski] At present, the initial capital is small—a dozen million [zlotys]—but only because we still do not have our own account. There will certainly be many partners willing to cooperate with us (but not by way of being do-gooders, because we do not want to live off charitable contributions). For example, the Ministry of Environmental Protection and Natural Resources is very favorably disposed towards us, and is willing to back us financially in the undertakings indicated. As a nongovernment institution, we will attract hard-currency capital with relative ease (we already have a couple of such partners on a preliminary basis). There are prerequisites for this. In this period of reassessment in your policy, such opportunities are emerging as never before. Hence, the implementation of environmental plans is very realistic. It is so now, because 10 or even 5 years ago my proposal to set up such a foundation in Poland would have been unrealistic.

Hard Currency Distribution Centers on Issue of Centrally Financed Imports

26000192a Warsaw *RZECZPOSPOLITA* in Polish
27 Oct 88 p 3

[Article by Tomasz Bartoszewicz: "From Allocation to an Exchange"]

[Text] What is the most judicious and efficient way to distribute hard currency? How is its most efficient

spending to be ensured? How can the interests of the market in this matter be reconciled with those of production? These are just several of the questions facing the reformers of our economy.

Centralized Allocation

The maintenance of the so-called centralized hard currency allocation draws the most fire. It is used mainly with regard to centrally financed imports. Nobody is questioning the fact that a certain amount of such imports will have to be maintained for good. Naturally, raw materials such as crude oil, natural gas, iron ore or certain agricultural products (grains, protein fodder) must be treated differently than consumer goods or specific supplies for particular enterprises.

The goods whose imports are centrally financed are available to all consumers inside the country for zlotys. The amount of imports hinges on the needs and financial resources of the state. Import operations are performed by specialized state foreign trade enterprises. In principle, licenses for importing these goods are not issued to other units.

However, the major question is how broad the scope of centrally financed imports should be. The list of goods subject to such imports is being shortened continuously in successive annual plans. However, in the opinion of many experts, it is still too long. Well, in theory everybody is a proponent of decentralized imports. Nonetheless, when actual detailed discussions take place, everyone tries to place the burden of hard currency imports on the state treasury rather than his own enterprise.

The ROD and the ROR

The share of decentralized imports, financed by the proprietary funds of enterprises accumulated in the ROD, or accounts of retained hard currency allowances, has been growing year after year. All producers exporting their goods to the second payments area [hard currency-denominated exports] are entitled to such allowances.

The ROD system is commonly believed to be one of the most successful arrangements of the economic reform. However, it undoubtedly has numerous drawbacks. Firstly, the amount of allowances was initially set on the basis of the so-called coefficient of import intensiveness of production. Therefore, those whose imported input was the greatest received a bonus. Secondly, the transition to so-called asset accounts was accompanied by a reduction in the rate of allowance applied automatically. Thirdly, to this day there is no connection whatsoever between the rate of allowance and the efficiency of exports.

The reasons for this state of affairs are largely objective. A start had to be made somewhere, whereas tremendous balance-of-payment difficulties restricted the freedom to maneuver in modifying the system. After all, we had

already survived the period of "obstruction" in the accounts of retained hard currency allowances caused mainly by the very attempts to improve the hard currency situation of some producers. It turned out at the time that excessive generosity on the part of the center is as dangerous as undue "miserliness."

In principle, owners of the accounts may freely disburse the currency accumulated in them. However, most frequently there is too little currency compared to their needs. Hence the recent common phenomenon of demanding "reimbursement for [the cost of hard currency] inputs" from purchasers of goods, and often making the filling of orders altogether contingent on making currency available.

In most cases, such practices are absolutely legal. After all, in keeping with the provisions regulating the operation of the ROD, contractors have a right to share in the hard currency revenue of the producers of final goods. Moreover, if it were not for this principle, even the danger of excessive exports of semifinished goods would appear—after all, almost everybody needs hard currency now.

We should also mention the system of ruble-denominated allowance accounts, or the ROR. Thus far, it has operated experimentally, but effective 1 January 1989, all producers of exports to the first payments area [socialist countries] will be covered by the system.

The ROR system should enable us to gradually abandon centralized allocation with regard to imports from the socialist countries, as well. After all, the owners of currency accumulated in the RORs will have priority in purchasing goods imported within the framework of contracts and trade protocols signed with these countries.

Auctions

So-called currency auctions are yet another element of the system of currency distribution. Initially, only enterprises which did not have access to currency in another form could participate. However, the present system of auctions is open to all units of the socialized sector (auctions for craftsmen will be organized soon).

The sale of currency to the bidder who will pay the most for it is (or rather should be) the general principle of currency auctions. In reality, however, the banks holding auctions tried until recently to split the currency into various "batches," preventing the purchase of all currency by one customer even if he was prepared to pay the highest prices.

A question may be asked: whence the difference in the prices offered? They are the result of differences in the efficiency of production in individual enterprises. Sometimes it even makes sense to pay a price exceeding that in the black market for a relatively small hard currency

input into highly profitable products (socialized enterprises cannot purchase "black-market" hard currency, because there would be no way to enter these operations in the books). In turn, those whose freedom to maneuver is restricted in one way or another (for example, the system of official prices for products applies) cannot rely on this form of access to currency very much.

So-called special-purpose auctions occupy a special position in the system of auctions. In this case, currency is provided by the state treasury, and only selected units can take part in the auction. An auction of hard currency allocated for purchasing wool in the second payments area is an example.

What Kind of Modifications?

The system of currency distribution is being modified continuously. This primarily involves the accounts of retained hard currency allowances. The rates of allowances are now being increased gradually, and the target is to make them uniform for equal stages of processing.

The system of auctions is also evolving. Until recently, the demand for hard currency at auctions exceeded the supply considerably, because owners of hard currency decide to sell only in extreme situations. However, at present large quantities are being allocated from the state treasury. This has become possible due to the considerably better than planned results of exports, especially to the second payments area. As a consequence, the so-called contract price is declining continuously from one auction to the next.

However, they talk more and more often about the need to set up a currency exchange which would replace the institution of auctions. The object is for any economic unit to be able to buy or sell currency at any time, without waiting for the next auction. The new minister of foreign economic relations, Dominik Jastrzebski, recently announced that such an exchange would be created.

Setting the current so-called equilibrium rate of currency exchange will be an added benefit of the currency exchange. In countries using a system of dual exchange rates (mainly in the states of Latin America), this rate is used outright as the commercial rate in imports. After all, it makes liberalizing imports possible, and, consequently, promotes market equilibrium.

Therefore, our currency market will definitely evolve. This is a logical consequence of implementing still further economic reform arrangements and consolidation measures.

Food-Processing-Industry Restructuring Essential 26000187c Warsaw RZECZPOSPOLITA in Polish 3 Oct 88 p 3

[Article by Prof Dr Jozef Zegar, economist, Institute of Agriculture and Food Economy of the Ministry of Agriculture, Forestry, and Food Industries: "Role of Food Processing in Structural Changes of the Economy"]

[Text] Vital interests of our state demand a fundamental turnaround in the strategy of developing our economy. The need for, and even the necessity of, making bold and far-reaching decisions in this matter is generally perceived and appreciated. The need for profound changes in the structure of the national economy is particularly stressed—the need to gear this economy to market-, food-, and export-oriented development.

The urgent and necessary restructuring of the national economy has to be carried out under unfavorable economic and social circumstances. I see no need to reproduce the ubiquitous critical description of these conditions, which by now must bore the public. Restructuring will also proceed against considerable opposition by influential economic, social and political circles, whose interests and privileges may be endangered by it. In particular, the structuring [sic] will reduce the operational comfort of the so-called working class of large-scale industry in our industrial giants. This can cause its opposition, understandable in light of the fact that for decades it used to be the apple of the eye of the authorities.

However, profound structural changes are necessary for eliminating, dismantling, or weakening the barriers which economic development is running into and for releasing the driving forces of this development. Which barriers are mainly at issue? Primarily, the energy barrier, thrown up mainly by the excessive energy intensiveness of our economy, as well as the ecological, import-export and labor productivity barriers.

Overcoming these and other barriers and circumstances must proceed in the environment of restoring market equilibrium, mainly by increasing supply, restricting inflation, solving the housing problem and the problem of technical and social infrastructure—in a word, in an environment of pronounced improvements in the conditions of life and work and satisfaction of the aspirations of the working people.

It is obvious that, in the short run, reconciling the pursuit of development goals, i.e., those involving the creation of conditions for economic development in the future, with the pursuit of social goals is especially difficult. It also calls for certain sacrifices by the populace and its greater discipline. In turn, it calls for the development of a clear-cut strategy, persistence and steady action on the part of the authorities.

In making a strategic choice, the issue mainly is to define the direction, sequence, and pace of structural transformations. The most efficacious overcoming of barriers to development and the most harmonious reconciliation of developmental and social goals should be the criteria for this choice.

The role of food processing in the structural changes derives not only from political considerations, but also has a profound economic justification. I believe that statistics give sufficient basis for this. Let us recall several facts. The energy intensiveness of production in food processing is 5 times below that in industry as a whole, labor productivity is about two times higher, whereas the capital endowment of labor is about 10 percent lower. In turn, the productivity of fixed assets is about 80 percent higher in food processing. It should also be added that three-quarters of products of food processing are earmarked for the market—mostly domestic, but also foreign, whereas for industry as a whole, this share amounts to just over 40 percent.

It is also important that the food industry processes domestic raw materials, and for some of them relative surpluses are available. They are frequently wasted due to the inability to process them, or may be easily increased [sic]. Finally, and this is seldom brought up, a marked acceleration of the modernization and development of food processing facilitates a reduction in the overall cost of producing food, for which the populace spends almost one-half of its personal income.

While acknowledging the key position of the food industry in structural changes, we should nonetheless view it in the proper context of economics. This industry should undoubtedly constitute an integral part of the foundation for economic development. There should not be any doubt as to that. However, this is not to say that this industry can shoulder the burden of economic development alone.

In analyzing the direction and mode of development of food processing, at present we should pay particular attention to the systemic "reinforcement" of development programs in this area, so that they would not, despite being correct, end up as many plans and programs drawn up to date.

The rate of investment and development in particular food processing industries should follow from the needs and independent decisions by economic units. Nonetheless, the state should directly support investment in industries whose accelerated development is highly desirable. These are, among other things, the frozen goods and the fats and oil industries, fruit and vegetable processing, milk processing, grain processing and mills, as well as other industries. The involvement by the state in the process of structural changes is expedient and cannot be fully replaced by the market itself.

Determining the organizational and spatial concentration of food processing, and, therefore, of investments, is a very significant strategic choice with far-reaching consequences. It appears that, apart from a dozen or so major enterprises (elevators, among others), the basic investment effort should center on markedly speeding up the development of small enterprises processing agricultural raw materials and foodstuffs, owned by the state, cooperatives and municipalities (conditions for this should be created soon), as well as with mixed ownership.

Considerable organizational concentration is a feature of food processing in Poland, which entails many unfavorable consequences. Therefore, it is essential to encourage the creation of small food processing enterprises in order to bring about an optimal structure, within which economic units of various sizes will operate harmoniously and efficiently. There are many arguments in favor of speeding up the development of small food processing enterprises. This will undoubtedly facilitate better management of agricultural products, avoidance of losses due to long hauls, and reductions in the costs of transportation. Setting up food-processing enterprises closer to farms or directly on the farm will permit better utilization of labor resources in agriculture (including work in the agricultural off-season and work by women), make use of many currently vacant facilities (shops) and facilitate an improvement in the economic situation in rural areas and agriculture through additional jobs, production and income to farmers by virtue of processing, commissions, transportation, etc.

The social effects of this development mode in food processing may turn out to be extremely important and hard to overestimate. These results may be seen in, among other things, slowing down the migration of the populace from rural to urban areas, preserving rural areas as cultural centers, creating conditions for meeting the aspirations of the younger generation, promoting exports, developing local markets and catering, developing technical and social infrastructure, invigorating agricultural and rural organizations and people's councils, promoting competition, including that by large enterprises for raw materials (producers), and so on.

The development of the food industry, and, in particular, of small enterprises, will be facilitated by the arrangements of the second stage of the economic reform, being prepared and gradually implemented (may this be fast), including the areas of conducting commercial operations, demonopolizing procurement and trade in agricultural products, expanding the use of contract prices, restricting the subsidization of food, liberalizing foreign trade, etc. However, these arrangements may fail to bring the desired results if other favorable (or normal) conditions for the development of the food industry do not materialize. These are primarily an adequate supply of modern machinery and equipment needed by this industry and financial backing by investors.

Domestic industry cannot ensure the supply of machinery and equipment in question, at least not in the immediate future. Undoubtedly, [part of the paragraph missing in the original—translator's note]

The problem of financial backing for investments in food processing appears to be easier to solve. After all, a broader use of genuine preferences in granting tax relief is possible by virtue of making investments, preferential loans, as well as of direct subsidization from the budget. Reorientation in outlays for the so-called centralized investment, especially in the extractive industry, which is already underway, creates conditions for this. The object is to have the funds thus saved allocated in great measure to the food industry.

I also believe that the funds of the populace, agricultural organizations, and others may be mobilized; other economic units may be encouraged to invest their money in the food industry, and foreign capital may be attracted. In many cases, the initiative to create small enterprises should be originated by rural organizations (agricultural circles, parish cooperatives, cooperative banks), people's councils, enterprises and farms, farmers and craftsmen. It also appears that already existing food processing enterprises may develop not by creating large new plants, but by creating small plants directly in rural areas, as well as by organizing production in the work-at-home system.

Therefore, the potential for developing agricultural raw materials and food processing is great. Schematic actions, restricting ourselves to one or two methods would not be expedient.

Delay in 'Stefanow' Coal-Mine Investment Stirs Controversy

26000192c Warsaw TRYBUNA LUDU in Polish
13 Oct 88 p 4

[Article by (wodz): "What About the 'Stefanow' Coal Mine?"]

[Text] On 8 February 1988, the Council of Ministers resolved to discontinue the construction of K-2 Stefanow hard-coal mine in the Lublin Coal Basin. In a way, this was an anticipatory response by the government to the quite frequently made requests to revise the investment plan for the current 5-year period.

The government obligated the minister of industry to prepare technical reviews of the already existing facilities from the standpoint of the opportunity to use them in mining hard-coal deposits by the Bogdanka mine. This task was entrusted to a PAN [Polish Academy of Sciences] team headed by Prof Mieczyslaw Jawien.

On 12 October the Team for Programming Structural Changes met at the Planning Commission. It follows from the PAN review that this investment project, when completed in the scaled-down form, may feature low operating costs. This was shown by one of the scenarios

in the review. This conclusion was supported in the coreport by Prof Tadeusz Muszkiet, who pointed out the relatively low cost of producing one ton of coal after the mine achieves its full production capacity.

These arguments drew pointed criticism from, among others, Prof Mieczyslaw Lesz and Prof Aleksander Szpilewicz, who questioned the correctness of the calculated costs of this investment project. Therefore, no final decision was made. Deputy chairman of the Planning Commission Jozef Ajchowski, who chaired the conference, suggested reviewing the cost calculations submitted by the PAN yet again and making a corresponding decision after that.

ROMANIA

Production, Availability of Medicines Discussed

27000024 Bucharest ROMANIA LIBERA in Romanian
11 Oct 88 p 5

[Interview by Mircea Scripca with Stefan Iliescu, pharmacist, head of pharmaceutical and medical equipment department, Ministry of Health: "Expansion of the Pharmaceutical Network and Drug Production"; date and place of interview not given]

[Text] Pharmaceutical units make a constant contribution to public health care along with hospitals, clinics, and other medical units. We interviewed Stefan Iliescu, pharmacist and head of the pharmaceutical and medical equipment department of the Ministry of Health, about the actions initiated and the efforts currently being exerted in this area of wide interest to citizens.

"In our activities," stated Comrade Iliescu, "one of our important concerns has been to provide a suitable network of pharmacies and pharmaceutical stations sensibly located in all localities. When finalizing the annual plans in this activity, the Ministry of Health has aimed both at relocating the pharmaceutical units that are still operating in unsuitable locations and at opening new pharmacies in industrial zones and in new residential neighborhoods, based on the planning, modernization, and development programs of the localities concerned.

"For example, 26 units were added to the pharmaceutical network in the 1987, including 16 pharmacies, 7 pharmaceutical stations, 2 medical equipment units, and a galenical laboratory. In 1988, 32 pharmacies, 12 pharmaceutical stations, and a medical equipment unit are to be opened. The units moved to new locations and the recently opened ones have been outfitted with modern furnishings and equipment. This provides the best possible working conditions for pharmaceutical personnel.

[ROMANIA LIBERA] Where have the new pharmaceutical units been opened?

[Iliescu] In the industrial area of the municipality of Drobeta Turnu-Severin, in the new Aurel Vlaicu residential neighborhood of Cluj-Napoca, at Tirgu Secuiesc, Rupea, and in other localities. Some pharmacies in Hunedoara, Rosiori de Vede, Beclean, Tandarei, and other localities have also been moved to new locations, and in 1988 new pharmacies will be added to the pharmaceutical network in Constanta, Tulcea, Cernavoda, Medias, Codlea, and other towns.

The opening of homeopathic units is another project. The first pharmacy of this kind in Romania has been opened in the Aviatie neighborhood of Bucharest, and preparations are now underway to open 14 homeopathic medicine dispensing stations at pharmacies in Brasov, Cluj-Napoca, Deva, Iasi, Galati, Slatina, Ploiesti, Pitesti, and elsewhere. There are physicians in these localities who have completed courses of instruction in homeopathic medicine. These courses have also been taken by an appropriate number of pharmacists at the units involved.

[ROMANIA LIBERA] What steps are being taken to supply pharmacies? What new drugs have been developed?

[Iliescu] I should like to point out first of all that in manufacture of pharmaceutical products special emphasis is placed on use of the medicinal plants found in abundance in Romania. The reason is that intolerance and side effects are not as pronounced when treatment is administered with natural products.

One new product, for example, Glaucina phosphate, in the form of a solution, is derived from the plant *Glaucium flavium* Crantz. It is effective in controlling dry cough. Another new product, Hiramnitin, is based on the active principles of box thorn (*Lycium barbarum*). It is made in the form of capsules for internal use, as an adjuvant in treatment of gastritis and ulcers, and in the form of a spray for external use, as an agent promoting the healing of wounds.

The new salve Variterp is also based on the active principles of plants (chestnut extract and rutin). It is recommended for use in treatment of chickenpox, varicose ulcers, thrombophlebitis, and hemorrhoids. Another new drug, made on the same basis in the form of lozenges, is Bromcriptin. It is indicated for treatment of hormonal disorders and Parkinson's disease. The new product Vitaspol, in syrup form, tends to restore the functional capacity of the body, by making up the losses suffered as a result of physical stress.

Other new products include Nicolen (lozenges), recommended for hyperacid gastritis and for gastric and duodenal ulcer, Bactisubtil, indicated for colonopathy, colitis, enteritis, and diarrhea, Panzcebil, recommended for digestive disturbances against the background of pancreatic secretory insufficiency, and Esfogram for liver disorders. Another new product, Oxprenolol, is

indicated for arterial hypertension, angina pectoris, arrhythmia, and cardiovascular disturbances. Other new medicines have also been developed, including Sermion for treatment of acute or chronic vascular cerebral insufficiency, Meclozol, a broad-spectrum drug for treatment for parasites, fungi, and aerobic and anaerobic bacterial flora, and Ludiomil, a tetracyclic antidepressant exerting a clearcut effect in controlling anxiety, psychomotor inhibition, and the somatic disturbances accompanying mental depression.

I may also mention that the Dr Cantacuzino Institute has developed the new drug Epurox on the basis of combined research. Administered in the form of an injectible solution or as lozenges, it is recommended for treatment of rheumatismal ailments. The institute has also developed Epurox for ophthalmic use; it is injected or administered in the form of drops to treat crystalline opacity, uveitis, and other inflammatory disorders.

Other drugs are in the final stage of development, such as Piroxican, which is similar to the imported product Feldene, Diclofenac, which is similar to Voltarene, and other new medicines for cardiovascular disorders.

[ROMANIA LIBERA] How is the situation regarding deliveries of medicines progressing?

[Iliescu] While we do not discount the efforts exerted by the enterprises in making and delivering drugs, we must say that we have experienced difficulties this year in connection with pharmaceutical care because of backlogs in deliveries. As of 30 September there were backlogs for 159 products, including some antibiotics, cardiovascular drugs (Nifedipin, Dipiridamol, Sermion), tuberculostatics (pyrazinamide and isoniazid), products based on calcium (calcium lactate and effervescent calcium), analgesics, antipyretics, and antispasmodics (aminophenazone, paracetamol [acetaminophen], Codamin, Plafon, Scobutil, Lizadon, papaverine), medication for the central nervous system (diazepam, Napoton, phenobarbital, Fenitoin, nitrazepam, glutethimide), and vitamins. We believe that steps should be taken immediately by the managements of the manufacturing enterprises to work off the delivery backlogs.

On the other hand, I should like to point out the need for sensible use of drugs, for eliminating the abuse, due most often to self-medication, which makes a medicine a two-edged sword. We must remember that the human body has defense mechanisms of its own. It is the function of drugs to assist these mechanisms, to combat the cause, and to intervene in the process of development of diseases. Consequently, administration of medicines requires a thorough knowledge of the human body and of the way in which diseases develop. This implies avoidance of self-medication and prescription of drugs only on the basis of detailed knowledge of a particular disease. Very often diseases can be fought by simpler, natural means. Sometimes, of course, it is necessary to administer highly active drugs. Hence our efforts are

aimed at supplying the pharmacies with the medicines needed to maintain the health of the public and for treatment of different ailments, under the guidance and watchful supervision of a doctor, because, as we know, drugs can also have adverse effects.

By ensuring that the pharmaceutical network operates as well as possible and by constantly applying appropriate measures (advanced personnel training, adding to the knowledge of personnel, improvement in behavior in pharmaceutical units, etc), we will be able to meet the needs of the public in this area more efficiently.

YUGOSLAVIA

Increased Economic Hardships, Despair Noted
28000041a Zagreb *DANAS in Serbo-Croatian*
8 Nov 88 pp 66-67

[Article by Jasna Babic: "Survival Course"]

[Text] If there is any place in this country (a country with 1,000 ideological veils) where the truth about its inhabitants breaks to the surface in its full brilliance, then it is the Red Cross soup kitchen, this time in Zagreb: a social microcosm of an altogether proletarianized state. Once upon a time, the social welfare services sent people there who were weak and sick and who were unable to earn a decent daily meal by their own labor. Recently, they have been sending to the soup kitchen those who are exhausted by their "past labor," but have been rewarded in return with pensions which would amount to some 10 or so kilograms of meat from a shop; they are sending workers who are completely fit and who are earning only the minimum personal income in factories on the verge of bankruptcy. At a time when there are many historic meetings, indescribably important political decisions, and an inflation which has long since exceeded its programmed rate, their minimum wages are so tiny that they do not cover even a small portion of the cost of living, which is maximal.

And, if in this nondescript place which is so representative there is a worthy witness of their truth and the truth of society, then it is Jelena Kanizaj, one of the cooks in the soup kitchen obsessed with the thought of not becoming her own customer. After all, for her, just like for her guests, the welfare coupon which can only be used in exchange for a hot meal is no longer a sign of someone else's economic and political mistakes, a sign of a great deception, but a mark of one's own shame, the mark of being someone marginal on the edge of society. "I want nothing more than to at least be able to survive by my own work," Jelena says. "I am not an alcoholic, a thief, or a criminal, I do not want to be a social problem."

Whether out of a panic spawned from facing the lines of humiliated people waiting for the "charity" of some peevish social worker and the Red Cross soup kitchen, which itself is seeking financial aid, Jelena Kanizaj has bent all her talents, abilities, and wisdom to a single skill,

the skill of getting by—of surviving or outliving a very simple calculation. As the sole breadwinner and mother of two children—10-year-old twins in the 4th grade—Jelena ought to earn at least 100 million old dinars a month to meet all the needs of a small three-member family. However, she earns an income of 40 million, to which she adds a pension of 17 million every month that the boys receive as the "heirs" of their late father. If we add to this minus net result everything she spent to upgrade a substandard apartment, to obtain gas service and a telephone, and the annual vacation at the seaside, she herself asks how she manages it. "I call it toughness. I have been a master at this skill since I was a child, since I grew up practically without parents, as a guest of acquaintances, friends, and even my own home room teacher when I was in the high school specializing in commerce. I learned a lot at that point. I was probably the only high school girl in Yugoslavia who wangled credit without anyone at all to countersign. A consumer credit, of course, since it was the only way I could get a winter coat."

From that time to this, credit has been the secret means of her "toughness." But also a few things besides credit: the reputation of a person who repays what she has borrowed promptly. That is, Jelena Kanizaj's friends at work are her first and most reliable creditors. She borrows from one in order to be able to repay a debt to someone else. Certainly, those are not large amounts—a few old million dinars—but they are necessary to cover unplanned expenditures. Only the amount necessary for bread and milk remains from what she has paid. All the rest is spent before she signs the pay slip: 3 months times 6 million for canned goods from the trade union, 3 times 5 million for eggs from the trade union and Mayburgers, 3 times 7 for two pairs of children's tennis shoes and two school satchels in Standard Konfekcija, 3 times 6 for her new coat at Klub Mode, two older credits taken to put in gas and a bathroom, and credit for two BMX bicycles, which were highly desired. "Some think that it was a luxury when I bought my sons bicycles, and what is more, expensive bicycles. But I will not stay alive if I cannot buy them bicycles," Jelena says a bit fearfully, a bit bitterly. Most of her credit obligations expire around the first of the year, but although Jelena Kanizaj is gladdened by the fact that she will then start receiving a larger net personal income, she is much more heartened that she will be opening a current bank account and will be making purchases with checks. "Then I will take even bread and milk on credit, and today that is a great saving."

Food is the largest expenditure item in Jelena's household budget, as it is for every average citizen. Electricity, water, trash collection, and gas she does not pay until she receives a warning. ("Recently, they were just about to shut off my gas. I borrowed money in a hurry, ran off to Elektra and somehow straightened it out.") But food for the growing boys is an expenditure which cannot be put off. Either because of the soup kettles which remind her of complete helplessness or of other people's lack of

"toughness," Jela consumes her own culinary creations in the soup kitchen exclusively on the job. The food is good, good in quality and fresh, and the head cook is a real master, but her boys do not like to eat when their food is brought in tin containers. ("It is food for workers, not for children.") Sometimes they prefer to skip the meat and eat the more modest meals which she prepares for them at home than the delicious chops from the soup kitchen dedicated to Zagreb's ever more numerous poor. That is why she makes purchases in the supermarket in 10-gram increments: "15 dekagrams of ground meat to which she adds something; or 30 dekagrams of fish, mola—just enough for the two of them. Supper is less of a problem. I make five crepes for each one, a cup of milk, and spend nothing. They get gablec in school." But, although food is an inevitable budget item, as the sons get older, new needs arise which, at least for them, are equally great: not to differ from their schoolfellows who go on school excursions, to the movies, or who spend money on things which are altogether unnecessary but still important to them, in spite of the family having lost the breadwinner and the much weaker purchasing power. Because of her earnings, Jelena has so far not given them pocket money, and they have not complained on that account.

They have been waiting for their 10th birthday, since they were promised that then instead of a real present they would get wallets and a regular monthly amount for their small children's needs. "They are excellent students, they are healthy. What more could I ask for?"

In view of her biography, it seems nonsensical to ask whether she remembers a time when she lived better, but it seems that even penury has its shades of difference. She remembers, that is, a time when she and her husband bought furniture for a new apartment they had wheedled from Tresnjevac Opština. Today, for all her skill in "credit" transactions, furniture is among the investments which cannot be imagined: it is not eaten, it is not drunk, it is not worn, it is some kind of "secondary" need. Before that, there were times when she and her husband had larger incomes and could have purchased more for that money, but they did not have an apartment. Since they were subletting, they preferred to roam all the neighborhoods of Zagreb until finally in 1978 they came on an advertisement in VECERNJAK in which someone was offering an inexpensive house. It was a wooden barracks at 123 Worker Road for which the Kanizaj's paid a price which at that time was 3 million old dinars. It had stinging nettles growing in it. The twins were born there. As soon as the occasion offered, they got out of there regardless. That hut is no longer there, and the land has been returned to the government, to which it belonged anyway. Five years later, her husband died of

a heart attack, leaving a pension of a few million after 14 years of pensionable service. Just a bit more was received from his former work organization: a part of the funeral expenses. "Had I not been alone, it would have been much easier," Jelena Kanizaj says. "People do get along more easily when they have two salaries and connections out in the country. My only consolation is that quite different cases come into our kitchen. A worker comes who earns 18 million old dinars a month, he has a wife who does not work and two children.

Thus, the only consolation is that there is misery still greater. Still Jelena does not give the impression of someone who moans and has to be consoled. At the age of 40, slender and small, she gives the impression of being somewhat younger and even quite content. It does not bother her that with a commercial diploma from a specialized high school she is working as an assistant cook in a restaurant which has a special social reputation. She says that the job suits her, that she likes small organizations like this, that she served two terms on the workers' council, and that she was happy with what she did and her influence—insofar as anything could be done in view of the laws and self-management accords and social compacts determining the level of personal incomes.

She is not a member of the League of Communists, but she is interested in politics, politics in terms of her destiny. After all, presumably the empty promises will be filled sometime, perhaps after the 17th meeting.... She writes poems and was about to publish a book, but the publisher went bankrupt before the contract was signed. The editors were involved in some shady financial scandal, one of those scandals with hollow promissory notes so typical of Yugoslavia and the lack of financial backing.

The Red Cross soup kitchen in Leningrad Street in Zagreb occupies several unpretentious rooms with cold bare walls. There is nothing that says that most of Zagreb's poor come here. There is no symbol, notice, or sign on the door. A few plate glass windows with milky spots hamper the view inside: a few tables, plates, glasses, and girls in white aprons waiting for new clients. And they differ more and more from the guests who once came, the street people, the city alcoholics, old people with no one to care for them. More and more are ordinary people whom we meet on the street. "Social problems," as it is put by trade unionists, by social workers, by the newspapers. Pitiable and humiliated people who have received a ticket for a hot meal in exchange for their working life. Since they had nowhere to learn Jelena's survival skills. And perhaps they will never have the chance to ever learn them.

HUNGARY

Bloc's Only Legal Group for Gays

29000009a Paris LE MONDE DIPLOMATIQUE
in French 14 Nov 88 p 26

[Article by Veronique Soule]

[Text] Budapest—The three of them sit close together on a luxurious, leather upholstered sofa. They look like children caught in the act. They weigh their words carefully, look at each other before answering a question, and elbow each other with a laugh. However, Lajos Romsauer, Andrea Toory, and Peter Ambrus are no longer in quarantine. As leaders of Homeros, the National Association of Homosexuals, the first of its kind in Hungary and in the Eastern bloc, they seem a bit embarrassed by their daring.

Peter Ambrus, secretary general of the association and a sociologist by profession, is proud of having broken the taboo. He said: "We are the pioneers in Eastern Europe." Until now homosexuality in Hungary, as in the rest of the bloc, existed discreetly and even in an aura of shame. Now the Hungarian press interviews gays, and the leaders of Homeros appear on television, facing the camera.

The experiment began in 1985. In that year the press took hold of the AIDS issue, and verbal denunciations of homosexuals shocked gay circles. Peter Ambrus said: "Then we understood that we could take advantage of this panic to be recognized as a minority." It is probable that, without the emergence of AIDS as an issue, the association would not have seen the light of day.

A small group began to meet in the apartment of Lajos Romsauer. This mild man in his 50's, who is a psychiatrist and has always been a homosexual, found the prejudices of his compatriots difficult to bear. He said: "Even though personal relationships can be good, public opinion does not like us." He has a superb apartment overlooking the Danube where he likes to receive his friends, most of them victims of the perennial shortage of housing. Lajos Romsauer thus found himself in the midst of an assembly of gays and is now the leader of the association.

The group is expanding little by little. On the last Friday of each month 30 to 40 homosexuals, mostly men but including some women such as Andrea Toory, vice president of the association, meet in an apartment. They discuss AIDS, erroneous information appearing in the press, and the way to fight against discrimination. In January 1986 Peter Ambrus took a big risk: he wrote a report on AIDS which he sent to specialists in the Ministries of Health and the Interior.

The authorities, stiffly respectable in their communist prudery, were afraid. "They" let it be known to these impudent people that if they did not stop their activities, they could lose their jobs. The group held its ground.

Peter Ambrus said: "The country was already going through a deep crisis, and the government was no longer in unanimous agreement on how to deal with it." The homosexuals were in clover. At the end of the Kadar era the government, split by the struggle over his succession, was giving ground under the impact of "the reawakening of civil society."

In October 1987 the militant homosexuals became bolder. In Budapest they organized the first meeting of homosexuals of the East bloc. Four countries were represented at the conference, with the exception of Bulgaria and Romania, where homosexuals are almost outlawed. For example, an article in the Romanian criminal code punishes "any attempt to have sexual relations with a person of the same sex," while the encyclopedia of the Bulgarian Academy of Sciences chose to use the term "pederasty." Soviet citizens invited to the meeting were prevented from coming "due to bureaucratic delays." At the same time the Hungarian gays applied for registration of their association.

Whereas, according to the law, a reply to this request should have been made within 30 days, they had to wait for 6 months. The Homeros association was finally authorized on 8 May 1988. In addition to the Ministry of Health, which supervises it, the Ministries of the Interior and the cabinet approved the request. This underlined the delicacy of the matter. Peter Ambrus commented, a little pompously: "That was a step toward democratization and the recognition of civil rights and the rights of the minority."

In addition to AIDS, homosexuals benefited from the winds of liberalization which have blown over the country. Gradually, with the decline of Janos Kadar, "the old man," and in particular since his deposition in May 1988, political clubs and associations have flourished everywhere. The gays also took advantage of the sudden sensitivity to minority rights which the government claimed to feel, as it then supported the rights of Hungarians from Transylvania who fled the Ceausescu regime.

Homeros now has 400 members (out of 400,000 to 500,000 homosexuals in Hungary, according to its own estimates). They are from 18 to 66 years old. Minors cannot become members. Among other things, the association is planning to set up two telephonic points of contact for questions concerning AIDS and personal problems. It is renting a restaurant for homosexual dances and is organizing language courses, outings, and meetings. However, its ambitions are limited by the its budget limitations. Due to the lack of funds the association has practically given up its training programs in psychotherapy for those who have tested positive to the AIDS virus.

Homeros already has a major victory to celebrate. The association has just succeeded in arranging to have AIDS tests considered anonymous and not obligatory for

homosexuals. Officially, nine persons have died from AIDS in Hungary, which has 156 persons who have tested positive and about 10 who have been diagnosed as having the disease. According to the association, these figures should be much higher, as only a small number of tests have been given.

Regarding a change in attitudes, the key objective of Homeros, its leaders admit that this will take time. They themselves are moving prudently. The organization states: "The association will help you to solve your problems, will try to know you better and to explore new ways of life, and will provide you with information on AIDS." In the Homeros introductory leaflet the word homosexual does not appear. On the other hand it is stated that membership cards bear no names and that answers to people asking for advice by mail can, at their request, be sent without the name of the sender. This is a very discreet way to operate.

POLAND

Economic Constraints Necessitate Redesign of Social Contract

26000236 Warsaw PERSPEKTYWY in Polish
No 49, 2 Dec 88 p 16

[Article by Michal Kosin: "Duty or Philanthropy?" under the rubric "Poland: Social Policy"]

[Text] In evaluating the state's social policy we have recently been teetering between two extremes, one of accusing the state that it shows little concern for the citizen and the other of accusing it of wanting to act like a supersolicitous guardian. The first accusation, which indicates the extent of a genuine social peril, concerns those social groups and domains of life which require special preferences. The second accusation, on the contrary, rather suggests that our state is inclined to be more a giver than a taker, that it has assumed the burden of too many unnecessary duties and obligations.

Since both these accusations cannot apply to the same state and the same point in its history, let us ask, which one is closer to the truth?

The socialist state is, by its very nature, oriented toward meeting basic human needs. This has chiefly been manifested in social policy: free health care, free education, access to low-cost housing and books, inexpensive vacations, nurseries, preschools, canteens, etc. Should this be discarded on the grounds that it is too much of a burden on the state? What solutions should be adopted in order that people would know the meaning of socialism nowadays?

It is natural that the difficult condition of our economy necessitates curtailing the state's social functions. But it is not good when any and every view gains the same right

of citizenship in the mass of prescriptions, advice, and diagnoses. It is being claimed, for example, that the alleged supersolicitous-guardian role of the state is like a ball and chain hobbling the economy. According to that view, the state is like a charitable donor who gives and gives, while people neither appreciate this nor even respect it. Cheap milk and cheap bread, which the state must continually subsidize, are being execrated, as are free education, free medical care, free cultural services. Proposals for curtailing these free services or at best eliminating them are being made.

Is this to be a prescription for the deficiencies of the economy? The state's social policy is compensating for shortcomings in many fields. This concerns principally wages, chiefly those in the socialized sector. Two years ago wages accounted for barely 26 percent of the national income in Poland as compared with 60 percent in the United States and 70 percent in Sweden. What is more, the average Pole spends as much as 60 percent of his income on food. Despite their continual cost-of-living adjustments, pensioners and annuitants are experiencing an erosion of their standards of living. Family allowances remain in an evident disproportion to the cost of rearing children, scholarships are small, the waiting period for housing is growing longer and the cost of housing is rising, and only high wage earners can afford vacations nowadays. There is a shortage of preschools. Education and medical care also are very costly in reality, although officially they are free. Can this be denied?

Moreover, social policy displays a glaring inconsistency. When it is claimed that pensioners and annuitants are worse off, their pensions and annuities are raised. The lot of working women who rear little children has to be eased, and thereupon voices are raised in favor of increasing child-rearing allowances. In short, this is a typical policy of improvisation. Sometimes we perform some positive accomplishments, but later we abandon them. The impression produced is that of a state which gives with one hand and wants to take away with the other.

Are all the various entitlements pertinent and necessary? Of course not. The impression arises that some of these entitlements exist only because of a law on the books or in order to keep clerical employment high. After all, social welfare departments at hundreds and thousands of enterprises and institutions concern themselves with these matters. They purchase, apportion, and distribute at various times all sorts of goods such as detergents, towels, tea, paper, ballpoint pens, free show and entertainment tickets for employees. They spend freely the state's funds on social services, on collective participation in sports, tourism, or culture. When multiplied on the scale of thousands of these departments, such expenditures reach a very significant amount, yet it is money spent pointlessly or even wasted.

Thus, bringing the social policy into order is an important task of the government. We must decide on what services we want to provide gratis or for low fees and what services to discontinue. This will be a far from easy job.

But this does not alter the fact that protecting the weakest groups is a duty of the socialist state. It is an obligation that may not be jettisoned on the grounds that this is not within the bounds of possibilities of the state. Let us therefore bring social policy into order and abandon anachronistic and inefficient entitlements, but at the same time let us set up a permanent and efficiently operating system for helping the neediest.

Lonely and incapacitated elderly people have to be considered in the category of those who must be helped regardless. What matters most is adequate old age pensions and annuities. Problems of health and care also await solution. Here cooperation between the state and society is needed; society itself should also establish philanthropic and charitable institutions.

For centuries the fate of the disabled hinged on the compassion of the community, the family, or charitable institutions. In our society, too, this is an important problem. Fourteen percent of our population are disabled, that is, about 5 million, of whom 3.6 are physically disabled (according to 1984 data). Of these 3.6 million physically disabled, that is, persons who can live a normal life only partially or not at all, about 0.5 million live outside the family.

Then also there are large families, which we do not always bear in mind. One-half of Polish children live in families with three and more children. Paragraph 74 of the Polish Constitution states that large families are under the special care and concern of the state. I refer to that constitutional provision not in order to complain that the reality is different but to jog the memory of all those who often confuse large families with criminal or maladjusted segments of the society.

Likewise, the housing problem, which is decisive to the well-being of young citizens of the state, has grown into a major national issue. It is simply incredible that despite the importance of this problem to improving the public mood, and despite the continual attention and publicity it receives, no tangible effects in the form of a greater number of new dwellings built have been produced yet. Of course, much can be accomplished here with the resources of the society itself, but not everything.

Opinion polls of newlyweds waiting for new housing ask them various wise and not so wise questions. For example, "Do you intend to improve your housing situation on your own?" What of it that nearly 60 percent of the respondents answer affirmatively? This is at most proof of the determination of that segment of the society, but certainly it is no proof of the actual possibilities for obtaining housing independently. Only the state can resolve this social and political problem on the scale of the country as a whole.

I do not think either that the need to broaden institutional forms of child care, such as nurseries, preschools, or study halls, should be deleted from the social policy of our state. Young parents expect of the state an expansion of the network of such institutions, as well as a modification of the forms of child-rearing leaves.

There exist various signs that much will change in social policy. Trade unionists have drafted a proposed new decree on old age pensions and the related allowances for employees and their families. The Ministry of Labor and Social Policy has finally offered the long-awaited proposal on the directions of institutional changes in social policy. According to an assessment by that ministry, the new social security system would be effective as of 1 January 1991. Why not earlier? Because that is supposedly the only realistic date, for its introduction has to be preceded by a broad public debate, which will require much time. And afterward there is the legislative work to be done.

What will that new social policy be like? In view of the various pressures and conflicting opinions, it is difficult to answer this question unambiguously at present. It is certain that the present is not favorable to broadening the domains and matters which need special protection. But this necessitates acting so that social services be provided not for all, not for the society in general, but only for those groups which need them most urgently. And I believe that we also should be aware that this should be and is an ordinary obligation of the state rather than some act of philanthropy or acting as a supersollicitous guardian—an obligation that is performed by every modern state, and especially by the socialist state, and which is crucial to the state's credibility.

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, economic, military, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available source; it should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed, with personal and place names rendered in accordance with FBIS transliteration style.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Soviet Union, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be

provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735, or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.

END OF

FICHE

DATE FILMED

14 Feb 89